THE FUTURE OF INDIA
AND
SOUTH-EAST ASIA

by

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CHAPTER ONE

Introduction

THE area described as South-East Asia has been for long known as Further India. The name is significant and embodies the idea which had been recognized from early days till quite recent times that India and South-East Asia were connected integrally in their political, social and economic life, and have reacted on each other in their historical growth. Burma, Thailand, Indo-China, Malaya and Indonesia, though under different administrations and subjected to different cultural and economic systems, still have certain essential features which give rise to common problems susceptible only of a common solution.

From the first century A D. to the middle of the fifteenth century this entire area, with the possible exception of Burma, was politically within the Indian sphere. The *Ramayana* speaks of Java and Chinese records testify to the existence of Indian kingdoms in Champa, Cambodia and Annam, as early as the first century A.D. The continuous history of these Hindu kingdoms in the entire area of South-East Asia, till the fifteenth century, has now come to light through the efforts of Dutch and French scholars. Sea power based on India had for a thousand and five hundred years closely united the mainland with island India and with the Hindu kingdoms in the East.

When the Arabs in the fifteenth century and the Portuguese in the sixteenth wrested from India the command of the sea, a new chapter opened in South-East Asia. Again the outcome was a political system which was essentially based on India. Affonso Albuquerque, styled the Great, who was the architect of the Portuguese Empire in Asia, realized that the East Indies can be conquered and controlled from India. His *Commentaries*, one of the classics of European imperialism, makes it clear that he conceived

the Portuguese Empire in Asia as being erected on the structure of a naval base in India, with a forward post in Malacca. The Portuguese successfully followed this policy till the Dutch ousted them from Ceylon and thus cut off the connection with the Indian base.

It is, however, significant that though Batavia was the capital of the Dutch East India Company and the East Indies the main field of Dutch Imperial expansion, it was Ceylon that provided the base and controlled the strategy of naval power. The fact that the power which controls India can at all times control the East Indies was proved during the Dutch period also. At the time of the Napoleonic Wars, the forces of the British East India Company based on India took the East Indies from the Dutch. Since then, the Dutch have held the Indies under the protection of the British navy.

The importance of the area has only grown with time. Its immense resources in tin, rubber, oil, and other essential materials have made South-East Asia one of the vital areas of the world. The competition of imperialist Powers has drawn this area into the whirlpool of international politics. The industrialization of the West, depending to a large extent on raw products of tropical countries, combined with the growth of sea and air transport, has made South-East Asia an essential part of world economy. The colonization of Australia and New Zealand has added to its strategic importance in a measure which makes it one of paramount importance to Britain. Obviously the peace of the world has become to a very large extent dependent on the fate of this area.

Every major power in Europe and Asia, excepting Germany and the Soviets, is involved in the settlement of this problem. Great Britain, by her position in the vital Indian mainland, by her possession of Malaya and Singapore, and by her overriding interest in the defence of Australia and New Zealand; the United States, by her commitments in the Philippines; the French, by their position in Indo-China, and Japan, because of her proximity and her dependence on the oil and rubber of the Indies, have all

come to regard this area as being of special interest to them. In fact, no area better exemplifies the rivalries of Imperialism than South-East Asia.

Till the end of the last century, this sea area, as other sea areas, was dominated by the naval power of Britain. It is true that Britain had but a weak Far Eastern squadron, and a small naval force in the Indian Ocean. But the sea might of Britain was supreme, and practically speaking the problems of defence did not arise. The end of the century saw the entry of the United States into the area. The annexation of the Philippines after the Spanish-American War brought a major Power and a new interest into the politics of South-East Asia. Practically at the same time Japan annexed Formosa, an event which caused no unnecessary alarm at that time, but which if viewed in the light of the succeeding half-century could be seen as the first decisive step in her southward expansion, and as the ominous prelude to the South-East Asia co-prosperity scheme, the declared object of her war in the East. Two new and potent factors had entered the South-Eastern stage, whose rivalry was in time to dominate the history of this area.

The American annexation of the Philippines brought in its train a definite Pacific policy for the United States, with naval bases, fuel stations and guarded communication lines. Lying on the outer fringe of East Asia, the Philippines created major problems of defence for America, involving considerations other than those which a Power based on India and having Malaya as an outpost would have had to face. Pearl Harbour had to be developed as a first-class base. Guam, Wake Island and Midway had to be fortified and made suitable for a forward policy. But with all this, the position could only at best be precarious for a naval Power whose main strength lay on a continent six thousand miles away.

The unheralded southward move of Japan by the annexation of Formosa was not examined or understood in terms of the security of South-East Asia. Japan was at that time only a minor Asiatic State just emerging from

mediæval feudalism. The idea that an Asiatic people who were then trying to please the European Powers by a frantic effort to adopt the Western technique may soon be in a position to challenge Britain or America would have sounded ludicrous in the extreme in the closing years of Queen Victoria's reign. Even after the Russo-Japanese war, the position did not seem to hold any undesirable possibilities. But Japanese ambitions in the South Seas did become apparent during the peace negotiations of 1919. At Versailles, Japan's insistence on being given the mandate for the widely distributed islands of the South Pacific which she had taken from Germany, and her fight for the barren island of Yap showed clearly where the orientation of Japanese policy lay. The Washington Treaty tried to limit these ambitions by fixing the ratio of naval strength and by ensuring a permanent inferiority of Japanese fighting power against America and England. Under normal circumstances, the 5 : 5 : 3 : ratio combined with the strategic position of Anglo-American forces in the triangle of Hong-Kong, Manila and Singapore, would have limited Japan to defensive operations in her own waters. It was hoped that in this way Japan could be kept from any effective rivalry in South-East Asia.

Even before the war in Europe began, it had become fairly clear that Japan had circumvented these elaborately laid plans. Her occupation of the important island of Hainan showed that she was not to be retarded in her southern policy by the existence of Hong-Kong. The occupation of Canton had practically immobilized that famed Gibraltar of the East. The revolutions in Thailand and the pro-Japanese policy of the military clique in Bangkok showed that there were other approaches to South-East Asia than through channels which British and American strategy had anticipated. There were indications also, at least during the last fifteen years, that Japan was not prepared to be a mere witness to events in South-East Asia, but was actively moving towards playing the role of a major participant. The expansion of Japanese fishing activities in the waters of Thailand, Malaya and even the Bay of Bengal, her

peaceful penetration by way of trade into the Dutch East Indies, Malaya and India, the settlement of large Japanese populations in the southern islands, the establishment of that unique semi-diplomatic appointment in India, the Resident Military Officer, held by such important people as General Homa, General Kurodo and Colonel Teshima, were sufficient indications that Japan had a positive policy towards South-East Asia. Bruce Lockhart in his book *Return to Malaya*, clearly foresaw that Japan had become politically a major factor in South-East Asia.

But the essential factor to be remembered in the growth of American and Japanese interests in South-East Asia is that it had to be developed step by step, unlike the position of Britain based on India. For America, it involved a string of naval bases, laboriously erected and maintained spreading over many thousand miles of ocean. For Japan, it meant the conquest of Formosa and Hainan, the neutralization of Indo-China, and the use of Siamese territory. If any link in the chain could be broken, neither America nor Japan could act effectively in South-East Asia. This was the lesson of Pearl Harbour. The destruction of the American Navy in its Pacific base, and the occupation of Guam and Wake rendered America absolutely helpless to act in South-East Asia. If the Japanese could have been prevented from using Hainan, or if before the war started Formosa had suffered the fate of Pearl Harbour, Japan could not have advanced with any force against the Philippines, Malaya or Java.

The strategic position of India is different. From her mainland she could, given effective naval, air and military strength, act decisively. Her position is not dependent primarily on intermediate naval stations. The reconquest of Burma and Malaya can only be undertaken from India, and equally the expulsion of Japan from Indonesia, if it is to be successful, has to be based on India. The geographical position, size, resources, man power and industrial potential have all to be considered in this connection, and judged by these factors, India alone affords the facilities for such action.

from plantation economy, and mining took the place of industry, fell definitely with the capitulation of Singapore, its symbol and citadel. The London *Economist* declared a month after the fall of Singapore—

> There can be no return to the old system once Japan has been defeated....The need is for entirely new principles or rather the consistent application of principles to which lip service has long been paid. For the Colonies, Malaya, Indo-China, Netherlands-India, there can be only one goal, the creation of independent nations linked economically, socially and culturally with the old mother country, but learning to stand firmly on their own feet.

The Dutch learnt this lesson immediately after the fall of Holland. With the home country under German occupation, the Netherlands Government found that they had to depend solely on the resources of the East Indies. The necessity for the establishment of heavy industries, mainly for the purpose of defence against possible invasion, was realized, and hasty efforts were made for the construction of plants for the manufacture of copper, steel, aluminium, chemicals, etc. But the realization had come too late. Politically, also, the Netherlands saw the necessity for immediate change. Though before the tragic events of 1940, the Dutch, like other colonial powers, had only paid lip service to the self-government of the Indies, and had proceeded on the comfortable assumption that the Indonesians were lazy, unfit for self-rule, and (except, of course, for the inevitable noisy minority) satisfied with the paternalism of the Dutch, the collapse of the Royal Government in Holland led to immediate changes. The Governor-General was vested with full authority and the Indonesian Council shared the sovereign powers temporarily vested in the local government. A more radical change has now been brought about by the historic proclamation of Queen Wilhelmina. As this marks the formal end of Dutch colonization in the East, it is necessary to understand its full significance.

The significant portion of Queen Wilhelmina's statement reads as follows:

COMPLETE PARTNERSHIP

I am convinced, and history as well as reports from the occupied territories confirm me in this, that after the war it will be possible to reconstruct the Kingdom on the solid foundation of complete partnership, which will mean the consummation of all that has been developed in the past.

I know that no political unity nor national cohesion can continue to exist which are not supported by the voluntary acceptance and the faith of the great majority of the citizenry. I know that the Netherlands more than ever feel their responsibility for the vigorous growth of the Overseas Territories, and that the Indo- [illegible] possess the will and the ability for harmonious and voluntary co-operation.

A political unity which rests on this foundation moves far towards a realization of the purpose for which the United Nations are fighting, as it has been embodied, for instance, in the Atlantic Charter, and with which we could instantly agree because it contains our own conception of freedom and justice for which we have sacrificed blood and possessions in the course of our history.

I visualize, without anticipating the recommendations of the future Conference, that they will be directed towards a Commonwealth in which the Netherlands, Indonesia, Surinam and Curaçao will participate, with complete self-reliance and freedom of conduct for each part regarding its internal affairs, but with the readiness to render mutual assistance.

It is my opinion that such a combination of independence and collaboration can give the Kingdom and its parts the strength to carry fully their responsibility, both internally and [illegible]

leave no room for discrimination according to race or nationality. Only the ability of the individual citizens and the needs of the various groups of the population will determine the policy of the Government.

In England, also, official opinion has awakened, though rather slowly, to the necessity of radical changes. The colonial system is under review, and though no formal declaration of the policy of Britain in regard to Malaya, Burma and Borneo has yet been forthcoming, there is an undoubted appreciation in authoritative circles that the future of these areas cannot be determined independently of other factors, and the old colonial system depending on the unchallenged might of the British Navy for its security, and on the markets of the world for its prosperity has to be replaced by something which will ensure the defence of these areas, and base their economic life more firmly on their own local economy.

From the point of view of the colonial peoples, the objectives have been very clearly defined. There is no educated Burman who is not an advocate of political and economic freedom for his country. The conditions in Malaya are more difficult in view of the racial composition of the population, but there also the claim of self-government is insistent. Perhaps the point of view of the peoples of this area has been best expressed by Joachim Elizalde, the distinguished Resident Commissioner of the Philippines in Washington and an intimate friend of President Manual Quezon.

"In Asia," he declared, "there is a great mass of colonial subjects who to-day merely stand on the sidelines. And if they have nothing better to hope for in the future than the brand of imperialism they have known in the past, I for one can understand their reluctance to side wholeheartedly with the United Nations."

A "Bourbon Restoration," even if it were possible, which it is not, even if it were desired by the authorities in the different Empires, which I believe it is not, can only lead to miserable failure. To restore plantations and mines to

CHAPTER TWO

The Colonial System and its Future

BEFORE the chequered pattern of the Governments of South-East Asia was changed into the drab and monotonous uniformity of Japanese military occupation, its political systems showed a variety which made it the veritable museum of colonial administration. At one end stood the independent government of Thailand, and at the other was the backward colonial administration of North Borneo. In between there were governments in all stages of evolution. There was the Philippine Commonwealth, enjoying a measure of freedom short only of complete independence, and Burma, which while still subject to British control was no longer a colony, and practically governed itself. In Malaya, there was a colonial administration, working together with a Federation of Malayan States, a combination of direct and indirect rule which was particularly interesting. The Dutch East Indies Government was strictly colonial, but had awakened to a realization that the days of a commercial colonization were past. There was, however, one thing in common in regard to all these areas. Though political forms varied, the area was "colonial" in its economic structure. Even Thailand, which maintained its political independence, was economically a colonial area. Essentially, the development of the resources of these areas, including Burma and the Philippines, was in foreign hands. The oil, the minerals, and the timber of Burma were exploited by British companies. In the main agricultural industry, rice cultivation, Indian capital played a leading role. In Malaya tin was mainly in British hands, while rubber, the other major industry, was largely British and Chinese. High finance was British, but ordinary banking was in Indian hands. In the Dutch East Indies, foreign interests controlled oil, sugar, rubber, and quinine. In Thailand,

it was estimated that 80 per cent of the capital invested was British. In the Philippines, American interests held sway.

This is not meant as a criticism of colonial policy. In the circumstances prevalent in these areas development through the use of foreign capital was unavoidable. It is important to remember that the immense natural resources of this area, so essential to pre-war economy, were capable of development only by large scale enterprise involving heavy [illegible]

Borneo would simply remain underground unless exploited by modern scientific skill Neither rubber nor tin nor forest resources could be utilized except on an industrial basis. So with sugar. Though sugar-cane can be cultivated even by undeveloped populations, the manufacture of sugar for world markets is possible only on the basis of large scale industry. The areas of South-East Asia had never been known in history for their industries, nor have they in recent times created with or without outside guidance any industries of importance.

Besides, in the pre-war industrial world, the resources of South-East Asia had an important and vital role to play. Ninety per cent of the rubber output of the world in the period before Pearl Harbour, 60 per cent of the tin, practically the whole of the manila hemp and 90 per cent of the quinine came from this area. Tungsten, manganese and sugar were among other important products. One has only to think of the importance of these materials in modern industry to realize how far world industry prior to the war was dependent upon the colonial economics of East Asia. The supply of these raw materials being the basis of the industrial structure of the West, there was established an integral relationship between the two which rendered it increasingly impossible to separate their interests without grave dislocation.

The economy of these areas, broadly speaking, was based on a double system. There was the "native" agricultural economy based on the old-time method of producing for local consumption. Super-imposed on this was the colonial

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This is not meant as a criticism of colonial policy. In the circumstances prevalent in these areas development through the use of foreign capital was unavoidable. It is important to remember that the immense natural resources of this area, so essential to pre-war economy, were capable of development only by large scale enterprise involving heavy capital outlay, great scientific knowledge and wide technical skill and experience. The oil of Burma, Sumatra, and Borneo would simply remain underground unless exploited by modern scientific skill Neither rubber nor tin nor forest resources could be utilized except on an industrial basis. So with sugar. Though sugar-cane can be cultivated even by undeveloped populations, the manufacture of sugar for world markets is possible only on the basis of large scale industry. The areas of South-East Asia had never been known in history for their industries, nor have they in recent times created with or without outside guidance any industries of importance.

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The economy of these areas, broadly speaking, was based on a double system. There was the "native" agricultural economy based on the old-time method of producing for local consumption. Super-imposed on this was the colonial

economy of plantation agriculture and large-scale mining. Government encouragement of crops having an industrial value like cotton and sugar-cane in place of subsistence crops and their high cash returns also cut largely into native agricultural economy.

The unstable character of colonial economy was not recognized in the earlier days of continuous economic prosperity. In the period of depression, it became clear that in spite of their enormous resources, the countries of South-East Asia were dependent for their prosperity on industrial conditions in Europe and America. Neither rubber, nor tin, nor oil could be used locally in any quantity, nor sold, except in relation to world industry. The growth of a sugar industry in India practically ruined the Dutch sugar industry in Java. The overproduction of rubber before the restriction scheme was evolved, knocked the bottom out of rubber prices, causing untold misery in Malaya and Indonesia. If a richer deposit of tin were discovered elsewhere, the tin industry in Malaya would suffer a similar fate. The untold resources of South-East Asia are therefore valuable only in terms of foreign industries and world markets.

It is important to keep in mind, while discussing the future of these areas, that conditions after the present war may lessen for the industrial world the value of the resources of South-East Asia. The establishment of a synthetic rubber industry in the United States and elsewhere, and the attempts that are being made in Tanganyika and other places to grow natural rubber, the discovery and exploitation of other sources of tin, and developments of a like nature may create a new economic situation for South-East Asia. While the natural resources of the area are such as to lend themselves to a readjustment of its economic life and a shift over to conditions of more stable production, it would be short-sighted to anticipate an era of prosperity after the war. Not only has there to be a considerable period of reconstruction and rehabilitation, but perhaps there may come a prolonged period of depression caused by the substitution for the products of this area either of artificial

methods, e.g., in the case of rubber, or by the discovery of new sources of supply. In considering the future political arrangements of this area, it is necessary to emphasize this fact, for unless South-East Asia is [illegible] with [illegible] for its economic life, there is every likelihood of a breakdown in its entire economic structure.

It is only the possibility of industrial development in India that offers a chance for the economic recovery of these areas. India lacks the very things which these areas produce in abundance. Normally, she has imported [illegible] tons of rice from Burma, an amount which, with an increased standard of living, might rise still further. She produces no tin and but little rubber. True, then, so far as sugar is concerned, India will only provide a very limited market. But in other respects, the economy of India and South-East Asia can be considered as being complementary. If therefore a truly satisfactory economy is to develop in this area after the war, it can only be if India and South-East Asia work out a "co-prosperity sphere" based on their interdependence.

The political future of these areas, considered in relation to their economic development and their security, is indissolubly bound up with India. It is on British power based on India that the responsibility for recovering these areas lies at the present time. That these areas cannot depend on themselves as independent units requires no argument. Therefore a common defensive system, with a co-ordinating political machinery at the top, seems unavoidable.

There are those who think that the future security of this area can only be assured by an international government administering the areas on behalf of a world organization—a reconstituted League of Nations. This school of thought holds the view that colonial exploitation by individual nations, which gave to them monopolistic possession of essential raw materials was one of the major factors which made the present war inevitable; that the colonial system is incapable of assuring security, as events have proved; that it does not give sufficient consideration to the political

growth and economic development of local populations; that the period of "property" in countries is gone, and must be replaced by more progressive ideas. There is undoubtedly a good deal of truth in the criticism. The possession of raw materials by certain countries to the exclusion of others undoubtedly contributed to bitterness in international relations. The older colonial Powers having a practical, though not a legal monopoly, were able to take advantage of their position, a fact resented by others, including America in the matter of rubber, as the controversy in 1925-26 showed. The monopolistic control of tin which caused an enormous increase in price, though operative in relation to all countries, was considered as another example of undue exploitation. The breakdown of trade negotiations between Japan and the Dutch East Indies in regard to the purchase of raw materials showed also how the possession of these materials gave a political lever to colonial countries. The first criticism cannot be called wholly unjust, though it has been greatly over-estimated.

That the colonial system showed itself incapable of ensuring security has already been proved by events. Not only was this due to the foreign character of the administration and the inevitable lack of enthusiasm on the part of a subject people to fight for their masters, and conversely the reluctance of colonial administration to arm the population or give them the necessary training—though both factors are inherent in the situation and are important as contributory causes—but fundamentally it is the economy of colonial development that rendered effective defence on modern lines impossible. Colonial administrations postulate a non-industrial society: where the development of material resources is related to an industrial society elsewhere. The production of raw material or the mining of minerals or oil, or the exploitation of forest and other resources, on which colonial economy rests, negatives in practice the growth of heavy industries on which alone modern defence can be based. Besides, such industries could not be developed to any extent in Burma, Malaya or Java for lack

al, iron ore and other essentials. Moreover, each of
e areas taken in itself, except perhaps Java, could not,
n if industrialized to the extent that Belgium or Czecho-
vakia was, meet a modern enemy for lack of man power.

The criticism that colonial administration does not give
ufficient encouragement to the political development of
local population was at any rate till recent times quite true.
Undoubtedly colonial policy in this matter has undergone
very considerable change. But until after the last war, the
idea that the colonial peoples should be prepared and trained
for independence was little more than the dream of idealists.
In the period after the war, a new orientation had to be
given to colonial policy, especially as Germany was deprived
of her colonies on the ground that she had neglected the
interests of the natives. Great Britain enunciated the
policy of trusteeship for the colonial peoples, but in the
Asiatic colonies outside Ceylon little was done to prepare the
ward to look after himself. The criticism of those who
support the idea of international control that any country
placed in the position of colonial trusteeship will find
arguments for the continuation of its own authority cannot
be overlooked, especially when we hear statements to the
effect that the population of these areas is uneducated and
that large groups of them still live in a tribal state of
civilization. If education is backward, and there are still
large groups living under primitive conditions, the colonial
trustee cannot escape blame, and the critic is entitled to say
that if after so many decades (and in some cases centuries) of
colonial administration, these conditions still prevail, then
there is all the more reason for a different system of govern-
ment, to be established primarily in the interest of the people.

Neither can the criticism that colonial administration
forces upon the people an unbalanced economy in the
interests of foreign industries be overlooked. Virginia
Thomson has pointed out the effects of a rubber and tin
economy on Malaya. The case is not far different in respect
of Indonesia. The economy of these areas is dictated by
outside interests. Nor do the peoples of the area share in
omic life. It was the complaint of the people of

Burma that in the many companies and corporations that exist in that country, there was not a single Burman director, and so far as superior staff was concerned, the Burman element was equally absent. Neither is there any participation of Burman capital. In Malaya, the position was similar, the Malay being employed only in subordinate positions. In banking, commerce, and shipping, the local population had no share. In fact, the economic life of South-East Asia was, even more than its political administration, controlled by foreign interests.

It is common ground that these evils should be remedied. The colonial administrator and the advocate of international administration agree that the "ownership policy" should go. But it is impossible to see how the system can be replaced by international machinery.

The arguments against any form of direct international administration seem to be conclusive. In the first place, such an administration, even if it could be set up would have to depend on an international Civil Service. The problem of language presents an initial difficulty. Are the international administrators of Java to learn Dutch and Malay, and those in Indo-China to learn Annamese and French? Assuming that an international committee appoints Governors, to whom are the Governors and administrators to be responsible? Is it clear that the colonial peoples themselves would like to be administered in this manner? Finally, all past experience would seem to show that international administration would only lead to trouble between the States concerned without in any manner improving the lot of the subject people.

There is no doubt a large sphere in which international supervision is possible and desirable. If the essential principles of colonial administration are laid down and accepted by the Powers, then it should be within the functions of an international body to see that these principles are being put into effect. The first of these principles should be that sovereignty of the area belongs to the people, and their political tutelage is temporary and strictly limited to the time in which they can be trained to take up their

responsibilities. It should be considered an essential part of the work of the colonial administration to train the people in the art and practice of self-government, firstly by gradual participation in authority and in legislation, and secondly by a gradual transfer of political responsibility and by ensuring essential civil liberties, such as freedom of association. In the second place, it should be laid down that, side by side with a colonial economy of the large scale production of raw materials, there should be developed an independent local economy, freeing the population from the bondage to industrial fluctuations elsewhere; in other words, the foundations of their economic freedom should be firmly laid. Thirdly, a progressive policy of education, public health, and social consolidation should be followed, and foreign capital exploiting the natural resources of the country must pay a considerable share of this expenditure. In justification [illegible]

[illegible] cases, the capital assets of a country are being dissipated, and it is but right that the country should share in some measure the profits which this expenditure of assets produces. Fourthly, there should be no racial or colour discrimination in these areas, especially directed against the people of the country. And finally, the colonial Power should train the people for their own defence.

If these principles are laid down in a Colonial Charter and subscribed to by every nation, then an international body can legis[illegible]

[illegible] advice in regard to technical matters, and enquiry into complaints. No less a person than General Smuts has in a recent article given his approval to a policy of international control of colonial administration to this limited extent. In his article contributed to *Life*, the General, who is one of the most influential of the elder statesmen of the British Empire, stated:

Such a change, involving decentralization so far as

the mother country is concerned and centralization with large powers so far as the colonies are concerned would be a welcome advance in the direction of colonial freedom and responsibility, which is the general trend of colonial development.

As a further stimulus to the development of such an enlarged colonial unit, its general development polity should be entrusted to a council on which would sit not only the British Government as the parent State, but also the unit itself and any interested neighbouring States of the British Commonwealth—such as Canada, Australia, New Zealand and South Africa—that could prove beneficial to the advance of their less developed neighbours.

There should be a system of regional grouping of colonies. . . . While the mother countries would be exclusively responsible for the administration of their policies, the ultimate control of the general or common policy would come under a regional commission or council, on which would be represented not only the mother countries but also others regionally interested for security or economic reasons.

Thus the United States of America, although not a colonial Power, could be on the regional control council of the West Indies, or of Africa, or elsewhere.

It appears to me essential that the United States of America should in future have a direct say with the mother countries in the settlement of general colonial policies, and some such organization as here suggested that would give her the necessary status with the rights and responsibilities implied.

I have no doubt that such a partnership of the United States of America in overhead colonial controls would be cordially welcomed as far as the British Commonwealth of Nations is concerned.

Nor is this different in any way to what leading administrators have been openly advocating. Lord Hailey, the

most outstanding administrator of our time in India, and who after retirement from the Governorship of two of the major Provinces, has been devoting himself to the study of colonial problems, has expressed the view that a supervision of colonial administration by the Powers interested in the area, and prepared to shoulder responsibility, would be a desirable form of evolution, so long as such supervision does not go beyond the maintenance of certain recognized and accepted principles, co-operation, and if necessary, indirect control of public health, educational facilities, etc.

Within the limits defined above, an international supervision of colonial administration would be a very welcome and necessary step. The idea is not different from that of the mandates which was evolved after the last war, and which in the case of Iraq at least proved a definite success. If it failed in other areas, the reason was primarily that the League of Nations proved ineffective in the exercise of control. Another fact which should not be forgotten is that the classification of the mandates into A, B and C, and the practically unlimited authority given to the mandatory Power in the case of Class C Mandates enabled those States virtually to annex them.

Even with these limitations, the system of mandates could not be said to have failed. The very fact that the mandatory had to report to another authority, and was made responsible for the welfare of the native population involved a change of fundamental importance. What is required is an extension of the principles behind the mandatory system and its application to colonial areas in general.

An extension of the mandate system is not possible for the reason that the legal theory of the mandate was that the sovereignty of the colonies had been taken away from Germany and Turkey and vested in the Allied Powers who entrusted [illegible]
a mandate [illegible]
the case o[illegible] [illegible] Powers, who cannot therefore be expected to administer them in trust for other Powers.

try to perpetuate its own rule will have no justification. The association of representatives of local people in the supervisory body is an additional assurance to this end.

In the third place, this system will also make the development of a proper social and economic structure possible by the time the native administrations have to take over. A sound educational system, public health and social services and a popular system of municipal and local administration could be built up which would give the new governments a solid foundation on which to build. The gradual substitution of colonial economy by a balanced system of agriculture and industry would also be possible under this arrangement.

The entire proposal, however, postulates a defensive power based on collective security. The States represented on the Council have to be primarily responsible for defence. But is such a system of collective security possible? If Burma is attacked by land or the Philippines invaded again from the sea, how is collective security to function? Many leading thinkers with intimate knowledge of strategic problems have suggested that an international air force based on Singapore could deal with any such aggression. Air Marshal Sir Arthur Longmore, for example, has held that in the future the range and destructive capacity of air forces will be so great that from a base like Singapore it can adequately deal with possibilities of aggression. But the possibility that the aggressor may have equally effective weapons and may first strike at Singapore and reduce it to ruins must not be overlooked. If America is to be the main guarantor of peace, the possibility of a second Pearl Harbour breaking the chain of that defence and rendering the distant American Navy impotent at least for a time has to be kept in mind. In short, the defence has to be based on India, whether the aggression comes by sea, or by land through Burma.

If, as seems clear, the permanency of the effective defence of this area can only be organized from India, then a free and stable government in that country, willing and capable to undertake these responsibilities, based on the necessary

are to a very large extent of the same race as the Hindus, there is a very pronounced Muslim feeling among them which marks them off, in the words of Mr. Jinnah, as a separate nation. It is no reply to this argument to say that the vast majority of the Muslims of India are converts from Hinduism. So were in fact the Moors of Spain of the same blood as other Spaniards, or the Muslims of Greece or Bulgaria. In matters of race, as Dr Ralph Bunche has pointed out, the social race is as important as physical race. And since Islamic society, environment and attitude towards life are different from those of the Hindus, the conception of the Indian Muslims as a race or a nation, though it may not be ethnically correct, is, from the point of view of society undoubtedly right.

Indian Muslims, though spread all over India and constituting a minority in India taken as a whole, are in a majority in five of the eleven provinces. Thus, while in the provinces they may exercise full political power, in the centre their numerical inferiority will permanently reduce them, it is apprehended, to a state of impotence. Further, it is feared by them, that whatever be the safeguards incorporated in a constitution for the protection of the autonomy of the provinces, the encroachment of a powerful :entre, often imperceptible but none the less effective, cannot 1 the long run be resisted.

During the quarter of a century which preceded the overnment of India Act of 1935, which gave wide powers autonomy to the Provinces, the Muslims were thinking terms of constitutional safeguards. The fourteen points ich Mr. Jinnah adumbrated in 1929 were meant to secure ctive safeguards for the Muslims in an All-India Constion, while ensuring to them what they considered to heir due share in political power. But the experience of incial autonomy, rightly or wrongly, convinced them constitutional guarantees will not be sufficient, and it essary in their interests to create an independent state, tan, out of contiguous areas containing a majority of ns.

ould be stated that the Hindu-Muslim problem —

a religious one. While Hindus and Muslims sometimes fight on religious issues, fundamentally it is a question of political power ; the Muslims fearing that in a self-governing India, they will have to remain a minority, when in wide areas, before the British Dominion, they were the ruling class. The relations between Hindus and Muslims everywhere are exceptionally good. They live together as friendly neighbours everywhere. The issue, therefore, is essentially political, with an economic background in some areas where the money-lender, generally Hindu, exploits the agriculturalists (Hindu or Muslim).

The refusal of the Muslims to be treated as a minority, dependent on the goodwill of a permanent Hindu majority, when India becomes free has found expression in a demand for Pakistan, or a separate Muslim state independent of Hindustan.

Obviously this is the one way in which the Hindu-Muslim problem can be finally settled. The advantages of the scheme, if it is conceived as separation for the purposes of a different and more equitable integration are obvious. In the first place, it removes the canker of communalism from the body politic of both Hindustan and Pakistan. It enables stable governments to be established in both areas without the fear of violent resistance of communally organized groups. Thirdly, the weakness of Federation in the Central Governments could be eliminated, as these were introduced to afford protection to the Indian States and to provinces with Muslim majorities.

This last point is particularly important. From 1930 onwards, the Central Government of India was conceived in terms of a Federation of autonomous provinces, the only opponent of this principle, who refused in any way to compromise with it being Mr. Jinnah. The advantages which were foreseen at the time were, (1) that Federation will give to the Muslims adequate guarantees and effective power in the provinces where they are in a majority, (2) that the States under the sovereignty of the Princes will have their autonomy guaranteed and protected, (3) that ample scope will exist within the Federal framework for the provinces

to be governed on a full democratic basis, which because of the size, population and complexity of India, it will not be wise to experiment with in the same measure in the Central Government, and (4) a Federal system will enable a united India to be created by the association of the great States of India.

Two dangers were not foreseen. It was not then realized that a Central Government for the whole of India, however constituted, would not be acceptable to the Muslims as it would reflect the will of a Hindu majority. Secondly, the consequences of a total war and total defence could not be foreseen.

The opposition of the Muslims to the powers of the Central Government has driven Indian political thinkers from pillar to post. The Congress has even accepted, for the express purpose of placating the Muslims, the principle of residuary power in the provinces, the surest way to civil war and disruption. All alternative schemes short of Pakistan, such as Sir Sikandar Hyat's zone-scheme, proceed on the assumption that the centre should have only the minimum of power. The object of all this, let it be understood, is to give a sense of security to the provinces with Muslim majorities.

Consequently, if any kind of Federation is possible at all, it can only be one with very attenuated powers, a repetition of the later days of the Holy Roman Empire, with all powers vested in the periphery and little but name in the centre. The dangers of such a [illegible] The provinces will fall apar[illegible] to shoulder the responsibi[illegible] [T]he weakness of provincial autonomy on a federal basis in this direction at times of crisis has been amply proved by the extreme ineffectiveness of the policy of the Indian Government in the recent handling of the problem of the food shortage in India. The inadequate powers of the Central Government greatly handicapped the pursuit of a strong and consistent policy in the matter resulting in unimaginable misery for the people at large. From the point of view of defence, international obligations, planned economic deve-

lopment, etc. also, a federation of the kind which will be acceptable to the Muslims will be entirely inadequate.

Objectively examined, it will be seen that Federation is a peace-time constitution. The experience of the present war has shown that both war and defence in the future are matters not for governments but for nations as a whole. Without a Central Government capable of organizing the entire life of the nation, of mobilizing all its resources, of planning industrial development on the widest scale, no effective defence will be possible in the future. The whole theory of federation is against this conception.

Since it would be foolish to consider that this war is going to end war, and extremely short-sighted to follow a policy based on the anticipation of perpetual peace, there can be no question that a weak federation at the centre would, even on general considerations, be a danger to the security of India. But the problem is much more serious. The land defence of India has become extremely complicated owing to the technical changes of modern warfare. The growth of the military power of the Soviets on the North-Western frontier has raised new problems. With a defeated Germany on the West, and a ruined Japan in the East, Soviet power in Central Asia will take a form and shape which will make it immensely more formidable than ever before. With the ever-increasing ranges of bombers, the cities of North-Western India will be open to effective attack.

The growth of China as a military Power and the recent shifting of the bases of its economic and military organization to the South-East create equally difficult problems for India. There is, of course, no question of any invasion of India or threat to India from China. But her mere existence as a great military Power on the borders of Burma, and the increasing importance she will attach to the Burma Road and access to Rangoon, and the dynamics of Chinese population problems in relation to Burma and Malaya will create ·ve complications in India's foreign policy.

To this may be added the whole problem of the defence South-East Asia, for which the main responsibility, as pointed out in the previous chapters, rests with India.

These very weighty considerations, apart from the strong and valid objections of the Muslims, render a federal solution of the Indian problem impossible.

If a strong Central Government is the only alternative then India has to be differently integrated in order to make this possible. Pakistan, it will then be seen, is not only inevitable, but politically necessary. What the boundaries of Pakistan and Hindustan will be it is unnecessary to discuss here. What is important for our purpose now is that the re-integration of India must come through an organic relationship between two independent States, in the relationship between whom there will be no place for constitutional safeguards or majority and minority considerations.

The two States so constituted could then work together on matters of defence and foreign policy, and if they so desired, on any other matter like external customs, interstatal transport and currency, in which they feel they have a common interest.

In regard to defence and foreign policy, with which we are mainly concerned here, it is obvious that they will have to come to common arrangements, not merely because of their own interests but because of British interests. Defence could not be solely an Indian interest. British interests in the East, her oil interests in Iraq, Iran and Burma, her special relationship with Malaya, her vital interest in the sea communications of Australia, to mention only a few, render the defence of India a major British problem to be worked out in co-operation with India. So far as India [illegible]

extremely difficult and incapable of solution by India alone, in the immediate future, without the help of Britain. Let it also be remembered that the development of the industrial potential of India for the purposes of modern defence will itself take time, while the organization of a national Army, Navy, and Air Force on scales adequate for modern warfare will not only be a slow process, but an expensive one dependent to a large extent on the industrialization of the country.

The objection may be raised, and is often heard, that once Britain liquidates her interests in India, she has nothing else to defend in the East, and there cannot, in those circumstances, be any adequate *quid pro quo* for Britain sharing the heavy responsibilities of defending an independent India. There seem to be two fallacies in this argument. One is that Britain's interests in India can be liquidated in that easy manner by the mere achievement by India of her independence; the second that the raw materials and minerals of South-East Asia can be dispensed with in the new industrial structure of Great Britain. As regards the first, political power apart, Britain's interests in India are mixed up with Indian interests to an unsuspected extent. The interpenetration of capital, the development of a true Indo-British industrial system, notably in Cawnpore, Madras and some of the leading States, and other factors of a similar nature, have already attracted considerable attention. But what is more important is the future. There is nothing to which the nationalist sentiment in India attaches such great importance as the industrialization of India and the development of scientific agriculture. The main problem of the future in India is to raise the standard of living, educate the people and construct a modern society. The higher standard of living is possible only with scientific agriculture, and that again is dependent on the growth of industries which will produce manures, manufacture modern agricultural implements, provide cheap power, etc. The whole question, therefore, turns on a rapid and steady industrialization of India. It is obvious that no country can undertake such a vast scheme without outside help in capital, equipment and technical direction. The older industrial countries have to be tempted to provide them. In short, it would seem perfectly clear that an independent India would provide an expanding market for the collaboration of Indian and British finance.

It is sometimes said that to create industries in India will be suicidal for England, for it is bound to restrict the market for British goods in India. This is an argument which has been completely disproved by facts. Experience

erywhere shows that the consumptive power expands
d does not contract in an industrial country. India is,
fact, a largely untapped market because of the low
andard of living of vast millions of her people. An increase
the standard of living which would necessarily follow the
odernization of her agriculture, and greater industrializa-
tion, would undoubtedly expand the markets many fold.
So from an industrialization of India with British capital,
Britain has little to lose and much to gain.

The second fallacy is that the complex system of British
industry can immediately make itself independent of one of
its main bases—the raw materials of India and South-East
Asia. No doubt synthetic rubber may reduce the
importance and make the British industry less dependent on
natural rubber, but that this resource can be neglected for
many years seems doubtful. Though other tin areas may
be developed, the Malayan tin will for many years to come
play a prominent part. Similarly with palm oil and other
valuable products. Even if we assume that Britain ceases
to have any financial interest in colonial industry and is
placed in a position similar to that of Japan before the war,
i.e. with only a definite interest in securing the raw material,
an assumption which it is extremely difficult to accept,
she will find herself a major power in the East. So Britain
will still have great interests to look after, and collaboration
with India in the matter of defence will be as much in her
interest as in that of India.

So defence and foreign policy have to be the joint concern
of India and Britain. Pakistan and Hindustan, while
remaining independent, will have to work out a system of
joint defence in collaboration with Britain, as independent
countries with permanent common interests have often t
do. The United States-Canadian Agreement for commo
defence is an example. With the help of a British militar
mission, charged with the organization of Indian defenc
a joint Hindustan-Pakistan machinery could be set up
the basis of the independence and equality of these t
States. The Defence Commission so set up will repres
the Governments and have a permanent technical s

attached to it which will work out the problems of defence in all its aspects. This will have the advantage of removing these questions from the sphere of majority and minority politics, and would enable decisions to be taken on the plane purely of realism. From the point of view of Indo-British relationships, this will have one outstanding advantage. It is a fact which is known to everyone connected with Indo-British relationship that while the public features have to be strained and to some extent retain their extreme nationalist lineaments, there is easy, cordial, and friendly co-operation at all times when discussions are in small committees.

Other matters in which Hindustan and Pakistan may find it desirable to work together through a common machinery of a similar nature are inter-state communications, irrigation, currency, and perhaps external customs. A joint commission for industrial development, especially in its bearing on defence may be important. The location of industry has become an important strategic consideration. The fact that France's heavy industry was situated in the North and came, with the very first blow, under German occupation was one of the factors that contributed to French weakness. Equally, the location of the Russian heavy industries near the Urals and even behind them helped Russia to carry on the war in spite of her heavy initial defeats. Location, therefore, is of the highest importance in the development of defence industries. A joint Commission for this purpose will be of great advantage and may, in fact, be unavoidable. Here also British co-operation, at least in the initial stages, will be essential. Indian industry will have to undergo an intensive development to enable it to cope with the complex requirements of modern defence. Both in the planning of this industry and in its early technical direction, much outside help will be required. Obviously it is a matter of extreme confidence and secrecy, and can be entrusted only to the representatives of nations associated with the defence of India.

If Pakistan and Hindustan are integrated to form a New India on the lines indicated above, and if this India enters into a long-term alliance with Britain and remains thereby

in the family of British nations, the problems of peace in South-East Asia will be easy of solution. These, as indicated in the previous chapter, relate to the defence of South-East Asia, to the adjustment of the economic life of the colonial areas to local conditions, with less dependence on the large scale industries of colonial Powers, to the creation of a higher standard of living and the gradual transformation of the colonies themselves into independent units. Even with the guarantee of the major Powers, it is only a power based on India that can actually defend these areas. The establishment of a strong and stable government in India on the lines indicated above will solve that problem. The growth of industries in India will provide a steady local market for South-East Asia, and a genuine co-prosperity scheme within a defined region with internal economies complementary to each other will be its material result.

India's requirements from these areas are not essentially dependent on a colonial economy, except in regard to oil. Neither will the growth of local industry in these areas affect the Indian industrial system to any considerable extent. In fact, it will be essentially in India's interest that such industries should develop, and the standard of living raised in these areas, so that a ready and convenient market is available for Indian manufactures. In fact, there is no conflict of interests of any kind between a free India and South-East Asia. On the other hand, freedom and economic development for South-East Asia are to a very large extent dependent on the existence in India of a stable power, with the economy of which these areas can be related in a manner beneficial to both.

CHAPTER FOUR

The Role of Burma

THE role of Burma in the scheme adumbrated above is indeed very important. The strategic importance of this country has grown immensely during the last five years. The Japanese blockade of the Pacific coast of China, has turned the attention of Chinese statesmen and thinkers to the vital importance of her communications with the Indian Ocean. In whatever position Japan is left after the War, there is no doubt that she will continue to be a naval Power; and the possibility is always there of a repetition of the events of the last five years, that is of a complete blockade of the Pacific coast line. In such a case the Burma Road will remain a life-line, and Rangoon an outlet, of the highest importance to China. The determined development of China's Southern provinces and the opening up of areas hitherto inaccessible, and the general shifting of the centre of China's industrial gravity to the interior as against the coastal towns are clear indications that China has no intention to remain at the mercy of any naval Power in the future. The Burma Road, in fact, brings Burma into the centre of the international stage in Asia.

Burma is a country rich in natural resources. It is the rice granary of Asia. In normal times India buys from Burma 1,500,000 tons of rice. Malaya also imports considerable quantities of this staple foodstuff. Burma is the world's chief producer of teak. It has very valuable oil resources, tungsten, tin, and other minerals. The great Irrawaddy river supplies a natural waterway of exceptional importance. Besides, as recent events have proved, a Power which controls Rangoon, can control the Bay of Bengal. A Power established in Burma will also inevitably extend its authority to Malaya and Singapore.

Until recently the question of Burma never came under

military discussion for the simple reason that it was thought that her geographical position protected her from any possible attack. On the north she was bounded by the mountainous and undeveloped provinces of China. In the [illegible] create any feeling of alarm about the defences of Burma. It was considered the one country which required no defence. But this whole pleasant dream became suddenly a most disagreeable nightmare, as in a short campaign of four months Japan completely overran the country. Like many other pre-war illusions, Burma's security also vanished with Japan's entry into the war.

Japan's occupation of Burma has also demonstrated her extreme importance for the naval control of the Bay of Bengal and incidentally for the defence of Singapore. South-East Asia therefore has a new problem, the defence of Burma against any aggressor. Burma in the hands of another Power will not only cut the link of the defence of South-East Asia, but with a naval Power based on Rangoon and Singapore reduce Indonesia to impotence. The genius of Albuquerque did not fail to realize this and his treaty with the King of Arakan is one of the outstanding examples of his strategic sense.

From the point of view of India the problem is even more important. Burma in the hands of another Power would in the circumstances of modern air and naval power, be a serious menace to India. The Japanese occupation of Rangoon, Akyab and the Andamans has actually paralysed her coastal communications, without even a major sea or air attack. Further, it should not be forgotten that Calcutta, the first city in India and the centre of its jute industry, the Jharia coal fields, which produce the largest amount of coal, the Tata iron works, the most important of India's industrial achievements lie within easy range of air attack from Burma. India, therefore, has a very vital interest in the defence of Burma.

Like other countries in East Asia Burma is in no position

to defend herself. Her population amounts to a bare 17,000,000. Her industrial potential is extremely small, as she has neither coal nor iron. Her defence therefore has to be related to India and considered in terms of Indian military problems. Of course this has been the position, legally and formally till 1937 and, in fact, as an Imperial responsibility is even now connected with Indian defence. The separation of Burma from India in 1937 did not affect its defence as it was a British Imperial responsibility, in the same way as the defence of India. The problem, therefore, was treated as one—and, it would not be unfair to say, neglected as one till the outbreak of the war with Japan. An instance of this neglect is the refusal of the Imperial authorities to give consideration to an eminently timely proposal for the construction of a military road from India to Burma.

Burma was a province of the Indian Empire administered from Delhi till 1937. Burmese nationalism and British colonial interests both favoured a dissolution of that political relationship. The Burmese point of view was undoubtedly legitimate, for that country was fast becoming a colony of India. Rangoon had a majority of Indians. The Indian bankers everywhere bought up the most fertile lands. The I.C.S. officers who administered the province had mainly an Indian background and in dealing with Burmese problems generally drew on the rich store of experience gained in India. It was an unequal partnership in which the Burmese people stood to lose in every way. But the Burmese themselves were divided about the question whether a *complete* separation from India was necessary or desirable. The most important political parties were against such an absolute divorce, and in the first elections after the introduction of reforms the anti-separationists gained a considerable majority in the Burmese legislature. There was a clearer realization among the Burmese than among the Europeans that Burma might not be able to stand by herself if all the bands with India were broken.

There can be no question of undoing the separation. Burma is a separate nation, more separate than even Pakistan. Her religion, social structure, race, language, in

fact everything that counts in the life of a nation are different from those of India. Burma, therefore, must remain independent and separate. But here again the reunion with India for defence and economic purposes on the lines indicated for Hindustan and Pakistan would not only be desirable but absolutely necessary. It must of course be based on the equality of the three states and must be restricted to the needs of a common defence and foreign policy. A triune Commonwealth—a reconstituted Indian Empire, on the basis of the freedom of the three areas—is the one solution which will meet all the numerous difficulties of the problem.

The place of Burma in the triune commonwealth will be that of an equal and independent state, associated with the other two partners for specific purposes. The defence of Burma will be a common problem and, in this way, she will be able to depend on the man power and resources of India. The Burmese army and other forces will of course be separate, but under a joint defence commission in which Burma will be equally represented. It may be pointed out as an objection that this proposal will really mean that India will have to shoulder the heaviest part of the burden, and the partnership will not be equitable. In one sense it is [illegible] India's primary concern no less than Burma's to see that its frontiers remain inviolate. In fact no responsibility can be considered too heavy for India when it comes to the question of defending Burma.

Further, India's own oil resources being limited the Indian Navy has to depend on Burma oil. With a coast line such as India has, and with the new problems of South-East Asia defence, the air and naval power of India has to be considered in terms of modern requirements. But neither the Navy, nor the Air Force could operate without oil, and, for this reason, if for no other, Burma's defence has to fo part of India's own defence.

From the point of view of Burma, India provides her with the natural market for her goods. Her surplus rice is sold to India. India also requires her other minerals and forest produce like teak. Sixty per cent of Burma's total foreign trade is with India, while in the absence of iron and coal Burma has to depend on India for the supply of her steel, textiles, and other manufactures. In fact the economy of both countries are complementary. Ideally it is a free trade area as there is no competition in products. In fact Burma's prosperity is to a very great extent dependent on her free access to the Indian market.

The fear that Burma would have is not in regard to her political freedom or her economic relations with India. On these two questions she has no cause to fear. But there is the question of large scale Indian immigration to Burma and the financial control which Indian bankers exercise over the life of the Burmese. It is essential that there should be a clear understanding on both sides of the Bay of Bengal of the issue involved in the Indo-Burmese question. Burma has the full right to restrict or even prohibit the migration of Indians to that country. Already that population has assumed large proportions and the Burmese are fully entitled to say that the race composition of her nationality cannot be further complicated by a growing alien population in her midst. All that India can ask is that Indians who have made Burma their home should not be differentiated against, and should have equal rights of citizenship in the country of their adoption. The pressure of Indian population is a matter of serious concern to Burma, Malaya and Ceylon, and there is no use in shutting our eyes to that fact. Neither is India, in spite of her immense population, really an over-populated country. It is the poverty of the labouring classes and the social conditions under which they live that make India the reservoir of cheap labour. With the modernization of agriculture and the healthy development of her industries, India will cease to be a recruiting ground for plantation and other labour. In any case India has to face and solve this problem and not leave it to be settled by immigration to the countries of South-East Asia.

The Indian community settled in Burma stands on a different footing. These people are clearly entitled to equal treatment with the Burmese, especially if they have either been born in the country or have opted for a Burmese domicile. India's only interest in them should be to see that they are not differentiated against; that on the ground of race and nationality, *i.e.*, because the country of their origin is India, they are not subjected to unfair or humiliating treatment.

The problem of Indian capital in Burma is more difficult. It has been calculated that 58 per cent of the total foreign capital invested in Burma is Indian. The objection taken is not to the fact that the capital is *Indian*; but to the methods employed by the bankers and financiers. It relates mainly to the high rate of interest charged by the Indian bankers and the hold they have gained by foreclosures on the rice lands in Burma. That Burma will require considerable Indian capital in the future also, especially if her rural economy is to be developed, cannot be doubted. But the evils of the system cannot be allowed to continue. The remedy for it lies in legislation, in prohibiting large scale alienation of land, by limiting the acreage which could be held by individuals or firms as in the Philippines, by debt transactions of agriculturists being subjected to scrutiny as in the Punjab, and by other equitable methods for the protection of agriculturists.

The economy of Burma, apart from its oil and forest resources, let it be remembered, is to a great extent what Indian capital has made it. It is only after the effort made by the British Government to attract the population of Upper Burma to settle and develop the rice-fields of the Irrawaddy Delta failed, that Indian immigration was encouraged in 1874.[1] If a non-colonial economy is to be developed in Burma, the utilization of further Indian capital, purged no doubt of its political complications and its land hunger, seems unavoidable. Small scale investments in other countries is not known to the British investor,

[1] Furnival: *An introduction to the political economy of Burma.* Rangoon. Page 71.

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[1] Furnival: *An introduction to the political economy of Burma.* Rangoon. Page 71.

From the point of view of Burma, India provides her with the natural market for her goods. Her surplus rice is sold to India. India also requires her other minerals and forest produce like teak. Sixty per cent of Burma's total foreign trade is with India, while in the absence of iron and coal Burma has to depend on India for the supply of her steel, textiles, and other manufactures. In fact the economy of both countries are complementary. Ideally it is a free trade area as there is no competition in products. In fact Burma's prosperity is to a very great extent dependent on her free access to the Indian market.

The fear that Burma would have is not in regard to her political freedom or her economic relations with India. On these two questions she has no cause to fear. But there is the question of large scale Indian immigration to Burma and the financial control which Indian bankers exercise over the life of the Burmese. It is essential that there should be a clear understanding on both sides of the Bay of Bengal of the issue involved in the Indo-Burmese question. Burma has the full right to restrict or even prohibit the migration of Indians to that country. Already that population has assumed large proportions and the Burmese are fully entitled to say that the race composition of her nationality cannot be further complicated by a growing alien population in her midst. All that India can ask is that Indians who have made Burma their home should not be differentiated against, and should have equal rights of citizenship in the country of their adoption. The pressure of Indian population is a matter of serious concern to Burma, Malaya and Ceylon, and there is no use in shutting our eyes to that fact. Neither is India, in spite of her immense population, really an over-populated country. It is the poverty of the labouring classes and the social conditions under which they live that make India the reservoir of cheap labour. With the modernization of agriculture and the healthy development of her industries, India will cease to be a recruiting ground for plantation and other labour. In any case India has to face and solve this problem and not leave it to be settled by immigration to the countries of South-East Asia.

The Indian community settled in Burma stands on a different footing. These people are clearly entitled to equal treatment with the Burmese, especially if they have either been born in the country or have opted for a Burmese domicile. India's only interest in them should be to see that they are not differentiated against on grounds of race and nationality [illegible] against ; that [illegible] origin is [illegible] tre [illegible] l

[illegible]

It has been calculated [illegible] capital in Burma is more difficult. [illegible] been calculated that 58 per cent of the total foreign capital invested in Burma is Indian. The objection taken is not to the fact that the capital is *Indian* ; but to the methods employed by the bankers and financiers. It relates mainly to the high rate of interest charged by the Indian bankers and the hold they have gained by foreclosures on the rice lands in Burma. That Burma will require considerable Indian capital in the future also, especially if her rural economy is to be developed, cannot be doubted. But the evils of the system cannot be allowed to continue. The remedy for it lies in legislation, in prohibiting large scale alienation of land, by limiting the acreage which could be held by individuals or firms as in the Philippines, by debt transactions of agriculturists being subjected to scrutiny as in the Punjab, and by other equitable methods for the protection of agriculturists.

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[1] Furnival: *An introduction to the political economy of Burma.* Rangoon. Page 71.

and capital from England or America will be available only for large scale industries or plantations. For small industries of the kind which will create a national economy in Burma, the country will have to depend on the ubiquitous Indian bankers.

Before the war Burma was not much of a market for Indian goods. Only 7 per cent of India's foreign trade went to Burma as against 60 per cent of Burma's trade which came to India. In the economy of the future the trade will have to be much more balanced. Under the political arrangements proposed India will no doubt have a much better chance, at least for a time, especially after the exclusion of Japan from the Burmese market. The development of a free trade area in South-East Asia, including Burma, will indeed be of great benefit both for India and those areas. Their national economies will be greatly strengthened while Indian industries will find an opportunity for expansion in respect of goods, which will be essentially similar in character to those produced for their own home consumption. The weakness of European industrialism arising out of the fact that in many spheres production has no relation to home consumption and is therefore dependent exclusively on foreign markets will be avoided in this case. The similarity of life in the area produces similarity of demands, and Indian industry will not be subjected to the same fluctuations as we have witnessed in Europe, America, and Japan owing to economic causes operating in distant areas.

Thus, there seems to be every ground for reasonable hope that a long-term alliance between India and Burma can only be of definite advantage from every point of view to both countries. It is, however, worth examining whether there are any valid arguments against such a union. It may in the first instance be argued that compared even to Pakistan, Burma is so small in population and resources that an equality of political relationship, however formally embodied, will only be nominal, and that the major partner will in fact dominate the alliance. No doubt Burma is comparatively small. Its population is less than half of the population of the United Provinces. But strategically

much greater chance of stability and harmonious development in the framework of the triune commonwealth.

The old Indian Empire as a common defence area had much in its favour. It included Aden, as an outpost, kept the Persian Gulf and the Oman coast within the orbit of Indian policy, neutralized Tibet and held strongly to the Eastern frontier of Burma. The surrender of Aden to the Colonial Office was the first short-sighted step in the break-up of this defence scheme. The transfer of the Persian Gulf to the Foreign Office, the separation of Burma and the weakening of Indian policy towards Tibet and the culmination of British Indian influence in Kashgar were the other steps which have in a period of ten years weakened the defence position of India. What seems to be required in the light of the experience of the present war is the reconstitution of the old Indian Empire, on a different basis. A Curzonian conception of a greater Moghul Empire in Delhi is no longer a possibility. But what is possible is that on the basis of equality and freedom Pakistan, Hindustan, and Burma should be united as a single defence area, held together and strengthened by co-operation with Britain to form a great structure for peace and security in Asia.

CHAPTER FIVE

Britain and the Triune Commonwealth

SOME indication has been given in the previous chapters of the role of Britain. It is necessary at this stage to consider that problem in some detail.

There are three important aspects of this problem which require consideration. In the first place, what will be the true position of Britain in the East, when India has achieved independence and South-East Asia has been organized on the lines indicated earlier? Secondly, what advantage economic, political or moral will Britain derive from the changed position in Asia, sufficient to make it worth her

while to undertake the commitments and shoulder the liabilities which an Anglo-Indian alliance would involve? Thirdly, how will Britain's position in the world be affected by these arrangements? Unless the answers to these questions are satisfactory to Britain it is obvious that the realization of our programme would be impossible, as a long period co-operation between India and Britain, which is one of its fundamental postulates, would be lacking

What is the position of Britain in the future of South-East Asia? There is general tendency to consider that with India independent Britain's position in the East is lost; to argue that British commitments in the East arise from her position in India, and that following her withdrawal from India and the liquidation of her interests there, Britain has no further interest to safeguard and can safely and with full security concentrate on other areas. We have already seen that from the purely economic point of view this argument is fallacious. From the political and moral point of view it spells dangerous defeatism. If Indian independence means the withdrawal of Britain into Africa, and not a transformation of British relationship with the peoples of the East, and a new conception of collaboration, then it means the end of all ideas of a world organization and of a civilization based on the co-operation of races, not to speak of the enormous reduction of British influence in world affairs. The essential characteristic of the British Empire to-day is that it is world-wide. It represents in varying degrees an influence in every part of the world. To withdraw from the vital areas inhabited by half the population of the world, covering and controlling some of the main routes is, for Britain, a change of such a fundamental character that it will affect every aspect of her national life. For the maintenance of her position as a world power Great Britain has of necessity to undertake obligations and shoulder responsibilities. What is required, then, is not a withdrawal of Britain but the creation of a new relationship, the transformation of the existing ideal of control to one of friendly and voluntary association in the promotion of mutual interests. The transformation would in fact

strengthen the position of Britain in the East rather than weaken it; because in a reconstituted relationship on the basis of India's freedom, the solidarity of Indo-British interests will constitute the surest guarantee of Britain's authority and interest in the East.

What in fact is the alternative? Is it the maintenance of power by a reversion to the system of authoritarian government in India and colonialism in South-East Asia? That would, as events have proved, be a source of perpetual weakness for Britain. A frustrated discontented India in perpetual rebellion is the surest way to undermine Britain in the East. Besides such a course will be against the most solemn declarations of Britain and is ruled out of consideration by her own desire in the matter. In so far as Burma is concerned, the mere fact of Japanese occupation over a considerable period will have so changed the situation that without a strong military force, there will be no possibility of re-establishing British authority or holding it as a British possession. In fact if Burmese support is considered necessary for the reconquest of Burma as would obviously be the case, that support would be forthcoming only if it was made clear beforehand that the ousting of the Japanese would not be merely for the restoration of British rule. There is no question, therefore, of going back to the theory of "dominion over palm and pine."

The true position of Britain, if associated with India and South-East Asia on a free and equal basis, will be that of the acknowledged leader of a world community, in which her ideals of government, her ethics of public life, and generally her way of civilization will dominate. Her role will be not merely that of an associate in material advancement, through technical knowledge, financial investment, and exchange of goods, but that of a leader in civilization, not essentially European so far as Asia is concerned, but composite in character introducing into Asiatic society, the principles of purposeful organization and activity, the conception of society itself as a complex of the forces of progress, the practice of political life based on democracy, motivated by the ideal of a common good, and the reign

of law, and the subordination of the individual to the law. These great principles which constitute the basis of civilized life in the West are of course not unknown in the East, but the withdrawal of European influence at this stage might mean a relapse to other ways over large areas. A common effort by both Britain and India towards the unimpeded development of these great principles which are the contribution of the West to the world is, to my mind, the most important objective that both countries have to keep in mind.

For Britain to achieve this leadership, it is not sufficient that India should be independent and associated with Britain. It is essential that Britain should shed the racial basis on which her conception of freedom has so far been based. If the evolution of the British Empire were objectively considered it would be seen, that what may be called the first Empire was based on the Spanish idea of colonies, with direct government from London. This period came to an end with the declaration of American Independence. The second British Empire saw the gradual transformation of the Colonies into self-governing areas, and the enlargement of the principle of freedom for people of the British race, to freedom for all people of European races. The third British Empire witnessed the transformation of the Dominions into sovereign nations equal with the mother country, the principle which is embodied in the Statute of Westminster. But the racial background has remained. The third British Empire is a free association of equal peoples only so far as the European races are concerned. During the last few years Britain has recognized this anomaly. She renounced the racial conception of freedom when she made the declaration of equal association for India. But so far that has been only a statement of principle. When that is given effect to a fourth British Empire will have come into existence, a world commonwealth, in a true sense, and one which will be justly entitled to claim the moral leadership of the world.

An Indo-British partnership which creates such a non-racial conception of freedom will in itself cons ute justification of Britain's history in the East.

logical expansion of the idea of the new commonwealth which became supra-national by the creation of a composite Dominion in Canada and the inclusion of the South African Union. It will also be the surest guarantee for the freedom of the colonial peoples, who with the example of an independent India freely associated with Britain, can legitimately look forward to their own freedom and the assurance of an honourable place in a re-constituted Commonwealth. In fact such an expansion of the principle of freedom will immeasurably increase the internal strength of the Commonwealth and its moral prestige in the outer world.

An ineffective India with a population weakened by poverty, and discontented in respect of its political rights, and a colonial population incapable of defence and indifferent to their own fate constitute, as events have proved, the Achilles heel of British power. The only method of making the Commonwealth impregnable to outside attack is to remove this weakness, make India independent and effective in her own defence and give to the colonial peoples an increasing share in the management of their own affairs. By this means Britain binds them by their own interests to the Commonwealth, and also ensures the security of the open flank of her communications to Australia. The Indian Ocean will be free from the menace to which it has been amply demonstrated that she is exposed, and the defence of Australia becomes assured by the freedom of communications with the Mother Country.

Also such an arrangement will have a very great influence on Britain's position in Europe itself. It is the fact of the British Navy having to defend its interests all over the world at the same time that endangers British security at home. Even a two-power Navy such as the Navy League had called for, will not now improve the position. The effect of under-water attack, the transformation in naval strategy caused by air power, and the necessity in war-time to use a large percentage of naval units for convoying purposes, apart from the development of regional sea power by many states in vital areas make it necessary for Britain to concentrate all available naval power nearer her own vital

centres. A policy of dispersal, of the stationing of weak squadrons in distant areas, under the shadow of the Grand Fleet in home waters—a policy which proved so effective in the nineteenth century—is no longer possible or practicable.

In dealing with Britain's position in the future world, it is essential to consider this problem of naval power a little more closely. As is well known Britain's world power has in the past rested on "the command of the seas" which her navy was able to ensure, i.e., the ability to destroy the opposing sea power in ranged battle as at Trafalgar, or to make it ineffective by containing them in ports by blockade, leaving the sea communications free and open to Britain, and enabling her to choose her own ground for attack, for example, in Spain in the Napoleonic wars. It is this [illegible] given time [illegible] and in the [illegible] olished long ago. Without such a command, the Empire cannot be defended at all.

The present war has fundamentally altered the position in regard to the command of the seas. The following among other important factors have reduced, if they have not rendered impossible, the old theory of securing command by destruction or blockade. The ranged battle is a thing of the past, and naval action against a superior naval power is through underwater and air operations. The air torpedo and the submarine not only menace the fleet, but divert the navy from the function "of destroying" or "containing" the enemy, to that of convoying for the purpose of keeping the sea lanes open. With this constant menace, it becomes impossible to concentrate the naval strength to strike at the enemy at distant places. In fact, the command of the sea cannot be achieved at one stroke as at Trafalgar or Lepanto, but has constantly to be fought for. No sea power can therefore any longer enjoy supreme mastery over the indivisible sea.

Further, the increasing power of land forces over adjacent sea areas, through coastal artillery, aircraft, etc., [illegible] the

vital narrow seas extremely dangerous as events in the Sardinian Channel, for example, have shown. The failure of the British Navy to prevent the passage of ships through the Skagerak during the Norwegian campaign and the heavy losses suffered in the attempt to reinforce Malta from Gibraltar show that a land-based power can effectively attack the command of the sea in waters adjacent to it. The control right up to the enemy's coast-line which the command of the sea once gave not being available now, the operation of large fleets for offensive purposes and ranged combat as at Jutland have become rarer in maritime warfare.

The result of all this is that with the Grand Fleet based on Great Britain the sea command cannot be maintained effectively. If that is so in respect even of the smaller naval Powers, then in the case of a major maritime nation like Japan it is altogether impossible, as events have amply proved. This was in part recognized before the war, and the hasty construction of Singapore as a defensive citadel for the Navy, and the evolution of an offensive strategy based on the Hong-Kong, Manila, Sourabaya, Singapore quadrilateral, showed that at least in respect of the Pacific the altered situation had been appreciated. But the destruction of the American Pacific Fleet at Pearl Harbour followed by a *land* campaign against Hong-Kong and Singapore completely upset that strategy, and in the short period of four months the command of the sea was wrested from Britain so far as Indonesian waters and the Bay of Bengal were concerned. The conquest of the Andamans, the destruction of the units of the British Fleet at Trincomalee and the occupation of the Burmese seaboard have given to Japan a temporary mastery in the vital Bay of Bengal. The policy of naval garrison under the long shadow of the Grand Fleet has been conclusively proved to be unsuited to modern conditions.

If the lines of sea communication have to be maintained, and obviously Britain's safety is possible only with their effective maintenance, then the one course open would seem to be the maintenance of regional navies fully capable of dealing with any local situation, and working in close

build up her industries cannot do without external capital. In the new industries which India will work hard to create there will be much greater opportunities for British investments. Thirdly, there will be considerable Indian competition which British trade will have to face in South-East Asia, East Africa, and the Middle East. Indian industrial goods will seek outlets in the territories adjacent to her, like Iraq, Iran and in the coastal areas within her region. Even now in regard to textiles, cement, iron and steel, and leather goods, there is an incipient competition. With her own machinery of export and shipping facilities, Indian trade with Burma and the East, the African coast and the Middle East will develop rapidly.

Though not a disadvantage, another delicate question which Britain will have to face in respect to a free India, is the treatment of Indian nationals in areas like Kenya, Tanganyika, Zanzibar and Fiji. The difficulties and disadvantages under which Indians live in these areas will not be tolerated by a free India. The problem of Indians in overseas British possessions will be considerably aggravated, for equality of treatment and equal political rights are even now the basic demands of India for her sons outside. The numerical superiority of the Indian population relative to the British in these areas makes it difficult for the question to be dealt with satisfactorily, for equal political rights will mean at least in the case of Kenya and Fiji converting them into Indian colonies. In any case a reduction of British interests in these areas is unavoidable.

Compared with the major advantages resulting from the Indo-British alliance, these disadvantages are indeed of small importance such as must accompany any political adjustments. In fact Britain can look forward, in the fourth British Empire to an era of economic prosperity, moral influence, and political greatness such as she had never enjoyed before. The transformation of South-East Asia into a citadel of freedom would generate forces which will alter not merely the balance of power in Britain's favour, but lay the foundations of a new synthesis of civilization of which Britain will be the source of inspiration. Let it be

remembered that the adaptation of their civilization has generally been the privilege of free people No country would willingly accept the civilization of a conqueror which could no doubt be imposed by legislation or military authority, but would be resisted at every turn by the people The three outstanding examples of cultural transformation in the world's history of which we have sufficient evidence has been by the free action of independent peoples In his learned and exhaustive paper on the "Indianization of China," Professor Hu Shih, the recognised father of Chinese renaissance emphasizes the fact that throughout the long period of Chinese "borrowings" from India, the entire initiative for transformation came from China herself The modernization of Japan is another example While countries under foreign domination resisted the implanting of Western ideas, a free Japan, avidly borrowed all she could and transformed her own life. Similar was the experience of Turkey under Kemal Ataturk. A conquered India has remained stubbornly resistant to European thought and has refused to accept even the good points of Western civilization. But a free India need harbour no such prejudices. In the past India has not hesitated to borrow and rebuild her social life and culture. In the future also this tendency will assert itself, once India is free, and the moral leadership in India and South-East Asia which has so long been denied to Britain will be hers in the New World.

If Britain fails now to grasp the opportunity of an Indo-British alliance based on India's freedom, and by a [illegible] calculation of profit and loss and of commitments and liabilities liquidates her interests in the East and withdraws to Africa, what will be the resultant position? Of necessity India has to join one of the other great defence areas within which her own defence will be secure, and her development on the line she desires assured. So far as India is concerned, on the assumption of there being a defeated Japan there will only be two such Powers left in Asia—the Soviet Union and a regenerated China. The victory of the Allies will see the Soviet Union established as the [illegible] Power on the Eurasian continent. With her [illegible]

crushed beyond recovery for a generation and Japan with her continental ambitions foiled for a time, Russia will find it easy to resume her southward march which was interrupted in the 'nineties of the last century. It is well to remember that it is growth of a Far Eastern Power which was first evidenced by the defeat of China in the Sino-Japanese War and the undisguised ambitions of Japan in Korea, followed by the Anglo-Japanese alliance that set a limit for the time to the Russian activities in Central Asia. But actually Russian activities in Iran did not cease till the conclusion of the Anglo-Russian alliance. After 1918, the period of Bolshevik organization that followed, and the growth of German military power when the Russian situation became stabilized, gave no opportunity to Russia to take up the threads of her South Asia policy.

The change in Russia's territorial policy involved in her repudiation of imperialism and conquest may be recognized as of fundamental importance. But that does not affect the trend of her policy towards the South, towards the open Indian Ocean which gives her not merely the outlet to the sea for which she has been working for two centuries, but a commanding position on one of the oceanic areas. Russia no doubt has no desire to *annex* the territories of other nations; but integral alliance with other nations organized on the basis of Soviet republics is her policy in Asia as well as Europe. Russia has not annexed Outer Mongolia, but the Soviet republic of Mongolia has allied herself with the U.S.S.R. Karelia is another new republic in the Soviet Union. Completely eschewing territorial ambitions the U.S.S.R. is in a better position to attract within its orbit the different units into which an independent India might split. That is a possibility which has to be considered seriously both by Britain and by India.

If India passes into the orbit of the Soviet Union and finds a stable position in that alliance, the latter already dominant in the Balkans and Central Europe, will become a world organization, such as Lenin could not have dreamed of: irresistible in its power, unequalled in its economic resources and man power, and having a territorial basis spread over

practically the whole of Asia and Europe The eclipse of the British Empire would be the natural and inevitable outcome

From the point of view of India, the results may not be considered unwholesome by many. Such an alliance will give a revolutionary impetus to social and economic changes in India, will enable the country to reorganize itself on a modern basis, with the help of the great experience gained by twenty-five years of intensive experimentation It will enable India, in the views of many, to sweep away her archaic customs, her society based on caste, her unprogressive organization of family, of economic structure, all of which need drastic changes. Even many non-socialists in India consider—as a desperate remedy—that the reorganization of India on modern lines can como only through a revolution on Soviet lines, hoping no doubt that once the revolutionary impetus dies out India will emerge with a reorganized society, with her major problems solved radically and with an essentially secular attitude towards life. The misery which will follow from such a violent reorganization, the civil war which will inevitably accompany it, the destruction of the imposing edifice of an ancient culture, these, our impatient idealists consider as but a small price to pay for the changes that India has been waiting for. It should also be remembered that there are many factors in Indian life which will favour such a revolution once it gets started—a submerged population of many million untouchables who are waking up to their rights, and an impoverished and discontented peasantry already thinking in terms of politica[illegible] organization for the attainment of a better [illegible] and unemployed middle classes without [illegible] but ready for experiments, a bitterness of [illegible] which persuades many intellectuals to lo[illegible] To many Moscow is already the M[illegible]

An exhibition of political ob[illegible] Britain at the present time will [illegible] friendly tendencies towards Russ[illegible] taken into account. What Britain [illegible] an alliance comes about require [illegible]

The other alternative, no doubt much less practical, but still one which many Indian leaders consider worth-working for is an alliance with a regenerated China. They hope as a result of this war to see China established as a great world Power in East Asia. It is argued that with a powerful China allied to India, the danger to Indian security could be removed, and India will be able to grow and develop according to her own ideas. In the present state of China's economic and social development this is only wishful thinking. An independent China, though it might pursue an aggressively nationalistic policy and may conceivably bring within her orbit, the areas of peninsular South-East Asia, will still be weak industrially, and therefore as a military power. Without a navy and with an army and air force which will have to depend on other nations for their equipment for at any rate a considerable time to come, China will be in no position, even if allied with an independent India, either to assure her own security or the security of others associated with her.

Essentially therefore the orbit of India's alliance must be that of Britain or of Russia. The historical background of the last one hundred and fifty years and Britain's own achievements in India, not to speak of their common interests argue for an Indo-British alliance. The bitterness of political relations during the last thirty years, the attractions of theoretically classless society for India's submerged millions, the prospect of a social rejuvenation in alliance with a Power embodying the principles of a great revolution make the association with Russia a desirable change in the minds of many. The choice is really with Britain, for if she has a forward plan which will satisfy the political demand of India while associated with her in the developments of the future, the Indo-British alliance can be realized as a normal process of evolution. Those who calculate the profit and loss in this transaction merely from the point of view of immediate money returns are being untrue to the great principles on which British freedom is based.

CHAPTER SIX

Thailand in South-East Asia

SOUTH-EAST Asia is not solely a problem of the British or Dutch Colonies. There is the independent State of Thailand, now an enemy in alliance with Japan The history of Thailand before the revolution of 1932, was in many ways unique. Under a dynasty which showed great political acumen, Siam was able, precariously enough, and with some loss of territory to France and to Britain, to maintain her independence. King Chulolongkorn recognized that with the establishment of British power in Burma and over the Malay Sultans and of the French on the other side of the Mekong, the sole chance of the survival of Siam was by exploiting her position as a buffer state between two Great Powers. With patience and foresight King Chulolongkorn and his successors laboured, on the basis of an autocratic monarchy, to create a modern State out of the old semi-feudal system. With the help of foreign advisers, the central power at Bangkok gradually developed into a reasonably modern State. Peace reigned throughout the land. A standing army, an air force and even a small navy were created.

With the growth of Japan as a great Power in the East, Thailand's international position underwent a change. European nations became anxious to show greater consideration to Thai sentiments and the Thai Government gradually recovered its full political independence, including the abolition of extra-territorial jurisdiction. Apart from her abstention from voting against Japan in the League of Nations in the Manchurian crisis, Thailand's attitude was friendly and impartial towards all nations—with the one exception of China. Though there were constant rumours and alarms in the sensational Press of the world ing Japanese interests in Thailand, notably a he

Kra Isthmus, where Japan was credited with the ambition of building a canal intended to short-circuit Singapore, the relations of Thailand with other nations were cordial, and with England they could even be described as being intimate. Though Japan made sporadic efforts to come to an agreement with Thailand, it is known that until 1940 these efforts ended in failure and met with only lukewarm response from Bangkok.

With China, however, Thailand did not maintain any international relations at all. The Imperial Chinese Government before the revolution lay claim to a suzerainty over Thailand which the Thai Government strongly repudiated. Every effort to establish even normal diplomatic relations broke down in the past on the rock of age-long prejudice. From the Thai side, apart from the original objection to be classed as a vassal State, there was the fear that the establishment of a Chinese Legation in Bangkok would lead to an internal crisis owing to the presence of a large Chinese population in the country. The number of Chinese is estimated by the Chinese, at 2,500,000 out of a total of 15,000,000, i.e., one-sixth; by the Thai Government at 500,000. This extreme difference is due to the fact that the Thais refuse to count the Chinese born in Thailand as belonging to China. The children of Chinese father by Thai mothers are counted by the Chinese as belonging to their racial group and by the Thais as being of their nationality. It is undoubtedly true that the spirit of Chinese nationalism has kept the Chinese immigrants and their Thai-born children in one racial group in spite of every effort on the part of the Thai Government to enforce a policy of national assimilation.

The Chinese constitute an alien national group which looks to Chungking or Nanking, as the case may be, for political guidance. The Thai Government have felt all along perhaps with reason that the greatest danger to their national existence lay in the existence of this large Chinese population, which maintained its own schools, its own social structure, and its close relationship with the political organization in the mother country. Diplomatic relations

with China would have undoubtedly aggravated this problem as the Chinese Government would have felt bound to protect the interests of its nationals.

Further, the domestic economy of Thailand was to a large extent based on the Chinese community. Much of its foreign and most of its internal trade were in Chinese hands. The fishing industry was entirely theirs. As money-lenders, retail traders, and as rice middlemen and exporters the *Chinese controlled the life of Siam. In the Colonial economy* of the land also the Thais had very little share Rubber and tin were in Chinese hands. There were eleven Chinese newspapers in Bangkok alone. So the policy of Thailand had always an anti-Chinese bias

Until 1932 Thailand was content to advance with cautious steps In 1932 a revolution, which was essentially liberal in its outlook, substituted a limited monarchy for the absolutionism of King Chulolongkorn's successors. In the first period that *followed the revolution a conservative body of* officials led by Phya Mano held sway and the external policy remained unaffected. In 1933, however, Luang Pradit the radical leader, came back to power with the support of Luang Bipul (later Bipul Songram). From 1935, following the abdication of King Prajadhipok, who took up his residence in England with the title of Prince Sukhodaya, the Thai Government began taking up an increasing nationalist attitude. The army was reorganized and strengthened under the control of Bipul Songram. The foreign advisers were sent home. Chinese immigration was restricted and the Chinese hold on the economic life of Thailand was attacked by a series of very stringent anti-Chinese laws Certain economic spheres were reserved for the Thais. Nor was this legislation confined to the Chinese. The Thai Government was determined on replacing the colonial economy of the country with a stable national economy, balancing its natural produce with local industry. A determined attempt was made to break into the foreign monopolies and subject them to laws that took into account the national interest. The timber industry, a great source of national wealth as Siamese teak is good and has a e

Singapore inevitable and the conquest of Burma possible. Without a safe land base behind her the spectacular advance of Japan through the Malayan Peninsula would have been impossible. Equally, it was the threat to the flanks of the British Army in Burma from the Japanese in Thailand that forced the retreat of the British and Indian forces.

If the Japanese are to be evicted from Burma and that country re-occupied, thus opening the route to China, it is necessary to win over the people of Thailand to the side of the Allies, for if Thailand continues to be a strong base for Japan, she will always be in a position to threaten effectively the flanks of our armies. A political offensive which will put heart in all those who are ranged against Japan in Thailand, and which will ensure the Thais a happier and better future with complete satisfaction of their national ambitions seems necessary at this stage. The full recognition and encouragement of the Free Thais outside Axis areas should be the first step in a programme for the military offensive on land in the East. It is no use harbouring any spirit of hostility because the Thais offered only small resistance to Japanese aggression. Considering that stronger nations found their defences crumbling it would be asking too much of a small nation to take up the heroic position of facing certain destruction rather than compromise with evil. In the circumstances, the treatment of Thailand should be decided on the basis of popular reaction to the call of the Allies when the moment comes, and not by the participation of her Government on the side of the enemy.

If, as available evidence tends to show, Japanese occupation has no popular support and pro-Allied feeling is strong among considerable sections of the people, a frank statement of policy at this stage may help to bring the Thais round to the cause of the Allies. That statement of policy should make it clear that Thai freedom is in no way endangered, and there is no intention in any manner to restrict the independence of the country or to place her under the suzerainty of another State; that her claims to national boundaries will be considered and that there will

be no attempt made to subject her to a system of colonial economy, to liberate herself from which she has been working so hard during the last quarter of a century.

In essence, the problem of Thailand is how to make her strong. It is her weakness that was the source of her misfortunes and our disaster A strong Thailand, guarding the mouth of the Mekong and protecting the backdoor of Singapore and Burma will be the bulwark of peace in South-East Asia. Instead of creating a strong centre of resistance in that area, the colonial nations through their shortsightedness compelled her to remain weak. If South-East Asia is to enjoy peace, and if after another interval, the events of December 1940 are not to be repeated, Thailand has to be strengthened in every way possible under international protection and a guarantee.

For this exceptional treatment Thailand has many claims. In the first place, it is the only country in Asia which has no sense of bitterness towards the West. China, India and Japan in varying degrees nourish a sense of complaint against Europe. The century of humiliation which ended only with the relinquishment of extra-territoriality by Britain and U.S.A. in 1942 has left its indelible impression on the Chinese mind. The attempt made to partition China at different times, the territorial concessions enjoyed by foreign nations, the limitations on her sovereignty in

is even worse. A century and a half of foreign rule has left soreness in the Indian mind. The attitude of India, generally speaking, is much affected by this conception of inequality however unavoidable in the circumstances it may be. Even the most objective minds in India suffer in some form from its effects. Nor is the case much better in Japan. The history of Japan in recent years can be understood only in terms of her frantic desire to achieve equality with, and to be recognized as an equal by, European nations. Her superhuman efforts to industrialize her life,

to pile up armaments, to compete in the field of imperialist politics, can be explained only by the desire to assert her equality before the world. Thailand alone of all the East Asiatic nations has not suffered from this handicap. She was able to set right her wrongs through friendly negotiations, requiring a great deal of patience, tact and understanding. In the result there is no anti-foreign feeling in Thailand, no bitterness against Europe, no sense of having been treated unfairly. This is undoubtedly a great asset, which it will be foolish for European nations to destroy or dissipate for the sake of some momentary advantage. If we build on that feeling of friendly equality, Thailand will be a source of strength for the future.

What will be the economic future of Thailand ? A return to the colonial system is obviously impossible ; it would be equally unfair to make her dependent on foreign immigrants who monopolized the trade and industry of the land. Thailand, if she is to be a strong partner must be helped to develop a self-reliant national economy based on an intensive agriculture, exploitation of mineral and forest resources and a healthy system of industries. This will require the investment of foreign capital on a fairly large scale. Subject to such limitations as are agreed on by international authorities as being fair to the investors, and necessary for safeguarding the political independence of the State, there should be complete freedom for the investment of foreign capital. An open-door policy in this matter may well be insisted upon both in the interests of Thailand which will otherwise remain a backward agricultural nation and of South-East Asia, in whose defence system Thailand will have an important position.

It goes without saying that for Thailand to attain this goal, it is necessary that the United Nations should be satisfied that the Thais will co-operate wholeheartedly in the expulsion of Japan from South-East Asia, and in the achievement of a stable peace in the Pacific : and secondly that Thailand will work out for herself a system of government which will eliminate the influence of the militarists who now exercise the power at Bangkok. Thai

co-operation in the expulsion of Japan will indeed be valuable, and if on the basis of a friendly attitude towards its future the Allied Nations can get the people of Thailand on their side, Japan's land position in South-East Asia will be greatly weakened. The Free Thai leaders who are now working in London and Washington fully recognize this position and have placed their services at the disposal of the United Nations. The Free Thai movement can be strengthened only by a clear understanding of the future of Thailand in South-East Asia and an early declaration of the aims of Britain, the United States and China in this area should go a long way in that direction.

The participation of Thailand in the freedom and peace of South-East Asia must also depend a great deal on the form of government which the Thais choose for themselves after the war. While no one can deny the importance of defence and the possession of a strong Army, Navy and Air Force by any nation, any system which is fascist or tries to exalt militarism as a national ideal, as the present government has done, cannot be tolerated after the war. A progressive democratic and nationalist government in Thailand is an essential condition of peace in that area; and the United Nations will be entitled, after the war, to exercise for a specified period a tutelage which will remove the vestiges of that unhealthy growth.

In short, for this single area in the South-East Asia defence region which is technically enemy territory, there will have to be two stages of evolution:

(1) A short period of Allied occupation and control followed by a period of tutelage during which the governments concerned will help the Thais to establish a stable progressive and democratic national government.

(2) The full association, after Allied withdrawal, in the [illegible]

[illegible]

[illegible]

healthy elements which brought about the recent military dictatorship, to assist in the establishment of democratic institutions and in the creation of a stable natio[illegible]

to work out a system of international financial assistance, which, while maintaining the policy of the open door for external capital, will not restrict the national sovereignty of Thailand, and finally to help to build up modern social services in education, public health, and so forth.

It is only a national government which will be capable of undertaking any programme of this kind; but in a country like Thailand which has emerged from feudalism only recently, no central Government after a major defeat which will leave it financially ruined and its prestige with the people reduced will be able to carry out any programme of reconstruction without external help.

When the agreed period of tutelage is over, Thailand will take her due position in the new structure of South-East Asia, and her association, especially in view of her traditional friendship with all nations and her tried sense of political realism, will be of the highest value.

CHAPTER SEVEN

Indo-China

FRANCE'S "India on the Pacific" is the least developed of the colonial areas in South-East Asia. Indo-China as it is significantly described comprises five units, the Kingdoms of Annam and Cambodia, the protectorate of Tonkin, the colony of Cochin China and Laos. The total area is a little more than that of France and the population according to the census of 1931 is about 24,000,000.

Before France claimed her place in the Pacific sun, these areas formed part of the two ancient kingdoms of Annam and Cambodia. From the first to the twelfth century A.D. Annam was ruled by Indian kings, whose Sanskrit inscriptions proclaim their story and whose architectural monuments can still be seen and admired. But even in those early days the allegiance of Annam was to China. From the tenth century China's cultural domination became

preponderant and when the French arrived on the scene, Annam was under an Emperor who was a pale imitation of the Son of Heaven in Pekin. The administration was carried on by an elaborate mandarinate on the Chinese model, and the Emperor was surrounded by a Court where the etiquette was as rigid as in Pekin itself. Cochin China was annexed from Annam to form a colonial base for French expansion. Tonkin which was a viceroyalty of the Empire was continued as a protectorate, the Resident-Superior taking the place of the Annamite Viceroy, while Annam itself continued under her nominal sovereign shorn of all power but with court ceremonial, court dancers and all the other attributes of sovereignty duly strengthened by a sudden desire on the part of Republican France to uphold monarchical forms. The old mandarinate functions under the orders of the Resident-Superior and his assistants. The power of France does not remain unseen under the cloak of an Annamite monarchy. It is ostentatiously displayed, and the ruler for all his imperial title and the strict observance of Court etiquette does not count in the administration.

The kingdom of Cambodia, known in Sanskrit and in French as Kamboj, is in tradition and culture more Indian than Chinese. The Indian influence (Hindu and Buddhist) continued in Cambodia till the middle of the fifteenth century when the sea route to India was closed by the entry of the Arabs into the Bay of Bengal. France entered into a treaty with Cambodia in 1863, by which the country was placed under French protection. Twenty years later, when the position in Cochin China was consolidated, French aggression took the form of a new treaty under which, royal authority was as in Annam reduced to vanishing point and France stepped in as the indirect administrator, with an elaborate system ot residents and resident superiors.

With these different units, governed under different legal forms, it is no wonder that the administration of the area presents very special features. At the head is a Governor-General to whom is entrusted the supervision and control of the entire colony. He is responsible to the Minister for

the Colonies of France. The Governor-General has a so-called Grand Council of *economic and financial interests.* It will be noticed that this is not a legislative body, and in composition is extremely restricted. Apart from officials of the colonial administration, representation on this body which is purely advisory is confined to chambers of commerce and agriculture and Indo-Chinese holding high official positions.

The Colony of Cochin China is directly administered, by a Governor with the assistance of a Council (styled the Privy Council) which is composed of officials and non-officials and includes two Annamite notables. There is also a semi-popular Assembly consisting of twenty-four members, of whom ten are indirectly elected by an electoral college of Indo-Chinese merchants, landowners and other propertied and official classes. This Colonial Council acts mainly through a permanent commission of five members of whom two must be Indo-Chinese. The administration of the colony is by a civil service which is predominantly French.

The other areas are indirectly administered. The forms of local administration are preserved, and Annamite and Cambodian mandarins carry on the work of government, subject to a protectorate Council and an executive Council on the lines of the organization in Cochin China.

The southern portion of the area, Laos, is under an administrator. The principality of Luang Prabang occupies a position similar to that of the Kingdoms, but the other districts acquired from Thailand are directly administered.

Economically Indo-China is extremely backward. The French looked upon Indo-China as a vast and potentially valuable estate; the immediate use of which to the Mother Country's economy, because of its distance, was not considered important. It was therefore considered an outlying area, to be held by France more for her prestige as a world power, than as an essential part of her imperial system. Algiers, Morocco, and the African colonies can be brought into the integral scheme of a French Empire. France can look across the Mediterranean to replenish her depleted man power and for a sound economic equilibrium. As a reservoir

of man power Indo-China was practically of no value. To base French metropolitan economy on a colony in the Far East was to give unnecessary hostages to fortune as French history in the eighteenth century definitely proved. Consequently no serious attempt was made to develop the resources of Indo-China.

More than this, French economic policy in the colonies has never recovered from the evils of Colbertism. It is a deep-rooted conviction held by the French that a colony exists for the benefit of the mother country, and if no immediate benefit is in view then no development is necessary. Though the development of Indo-China's resources was neglected, the paraphernalia of Colbertism were introduced wholesale in the colony. High tariffs against non-French goods, an exaggerated and destructive form of imperial preference, destroyed trade. No industries of any kind were allowed to develop. A purely agricultural economy in the interests of France was imposed on the colony.

Nor was the country organized for defence. Indo-China depended on the British Navy for protection against a major Power. It was felt that placed within the Hong-Kong, Manila, Singapore triangle, the position of Indo-China was as secure as that of France behind the Maginot Line. The fall of metropolitan France changed the whole situation. Even Thailand began to threaten the colony. The military clique in Bangkok presented an ultimatum to the French authorities and followed it by an air attack. At the same time Japan presented her demands, and under pressure Admiral de Coux negotiated what is called in the language of diplomacy a treaty of defence. The stationing of Japanese troops in the colony, and the acceptance of Japanese mediation in the dispute with Thailand exposed the hollowness of France's Empire in the East.

What is the future of Indo-China? A restoration of French colonial authority in the same form as before Japanese occupation is altogether ruled out. What the political structure of Indo-China should be and how France should be associated with it are the main problems we have

to consider. Once these questions are settled the place of Indo-China in South-East Asia can easily be determined.

The first point to be remembered in regard to Indo-China is that it consists of two parts which are artificially united: the three Annamite units consisting of the kingdom of Annam, Cochin China, and Tonkin covering the sea board territories of the colony: and the kingdom of Cambodia. The nationalist movement which has developed during the last thirty years is predominantly Annamite and thinks in terms of a national Annamite state. Pham Gunyh in his *L'Evolution intellectuelle et morale des Annamites* traces the growth of the young Annamite movement which was profoundly influenced by the Chinese revolution and the resurgence of modern Chinese intellectualism. After the last war Annamite nationalism became even more aggressive and vigorous. French reaction to this movement alternated with characteristic indecision between severe repression and promises of radical reform. The most important tendency in this period was the passing of the leadership of nationalism from the old school of mandarins, known as the scholars party to younger men trained in the West and adhering to Western conceptions of political rights. The younger intelligentsia, radical in outlook, strongly nationalist in sentiment, but desiring to be associated with the progress and culture of Europe, has brought into Annamite nationalism a new atmosphere, which, when it finds constructive expression, will contribute much to a new and harmonized civilization in South-East Asia.

Annamite nationalism has not neglected its allies and friends in the East. An understanding has existed for a long time between the revolutionary elements in South China and Annam. Annamite leaders maintained contact with Indonesian groups working in European countries. The organization of the league of oppressed peoples in 1927 was sponsored by both Jawaharlal Nehru and Duong Van Gieu, a distinguished and oustandingly able representative of Annamite nationalism. Duong later visited India and was an honoured guest at the Calcutta session of the Indian National Congress in 1929.

The Annamite nationalists range from the supporters of a conservative constitutionalism to the advocates of violent revolution and communism. The party of Young Annam, radical in principle, and revolutionary in action, came into being in 1925 with the failure of the constitutional party of Pham Gunyh to achieve any results by responsive co-operation with the French. But this party in time became merged with the communist party of Nguyen-Ai Quoc, a radical thinker and activist who has had a great influence in the shaping of Annamite nationalism. The communist party based itself not on strictly Marxian or Leninist principles, but on nationalism, and family life. Its ideology is based more on the communism of China, a peasant variation of Soviet theory.

The communists were suppressed as a party in Indo-China, but their influence in the nationalist movement is still very strong. The victories of Russia and the occupation of Indo-China by Japan have given greater strength to the communists, especially as the Japanese have been playing with moderate Annamite nationalism mainly to strengthen their own hands in dealing with the French colonial authorities.

The Annamite movement has not, however, touched the Cambodians. Out of the 24,000,000 inhabitants of the colony, 15,000,000 are Annamites. The strength of the Annamite movement lies naturally in Cochin China which is directly administered. Cambodians who are [illegible] living under their own ruler have not had the same advantages. In the result Cambodian nationalism is [illegible] and does not link itself up with Annamite movement.

The only practicable solution is to [illegible] the three Annamite provinces under one rule and [illegible] of the Emperor. A reconstituted Annam with a [illegible] government utilizing the machinery of [illegible] tration will enable that country to [illegible] East Asia. A restoration of the [illegible] Cochin China and Tonkin, [illegible] foundation for future development [illegible] of a personal despotism. [illegible]

radical in its intellectual background to support a retrograde régime, based on a revival of imperial power. A democratic government is essential, and the reconstruction of Annam must be broadbased enough to satisfy nationalist claims for freedom.

In Cambodia the problem is easier. The territory of the kingdom is compact and has not been administratively divided up as in Annam. The machinery of government is Cambodian, though the power is vested *mainly* in the French residents. A relaxation of French authority and the establishment of liberal institutions ensuring the participation of the people in government, and a close administrative union with Laos will give to the Cambodians freedom both from French imperialism and Annamite domination.

With the recovery of authority by Annam and Cambodia, the problem of French Indo-China becomes simple. France would remain the protecting Power in alliance with the two states and generally guiding their policy by advice and where necessary supervision. Instead of a colonial empire, France will have in Indo-China an important sphere of influence where her proclaimed *Mission Civilieatrice* will have ample scope for operation. But the colonialism which thought of Indo-China only as an estate to be kept in reserve can naturally have no place in the future of South-East Asia. France has shown, at least when faced with a major European crisis in 1938, that she is prepared to face courageously the problem created by the growth of Indo-Chinese nationalism. Under Georges Mandel a conciliatory policy was announced which marked the beginnings of a new régime. But the war in East Asia has changed all that. With Indonesia enjoying full freedom—as promised by Queen Wilhelmina—and Burma given a new Status as an independent state, Indo-China clearly cannot remain a colony. Nor was French administration in South-East Asia so brilliantly successful as to justify any claim for a different approach. It is only on the basis of freedom for the peoples of Annam and Cambodia that the problem can be solved.

Once France recognizes and accepts this postulate she will

have an honoured place in South-East Asia. Whatever her failure in other fields France's work in the East has been marked by a sympathetic understanding in the realm of culture. Few institutions can show such outstanding results as the Ecole Française d'Extrême Orient in Hanoi. The magnificent work of repair and preservation of monuments, especially at Bayon and Angkor Thom, the collection, publication, and interpretation of inscriptions and other allied activities which have been carried out by French scholars, are achievements which entitle her to the gratitude of the Asiatic peoples.

The French spirit is one which Asia can ill afford to lose. So long as other European nations are associated with the East there is no reason why France, which has so much to give, and which has been associated with the East for so long, should not also have an honoured place in working out the future in South-East Asia. The temporary collapse of French authority enables her to build her structure on fresh lines. She can start anew on a basis of equal co-operation, where French experience would be available to the people who have been so long in subordinate association with her. In this manner France could still have her window on the Pacific, and join with other Asiatic and European nations in building up a better future for this area.

CHAPTER EIGHT

The Netherlands East Indies

THE problem of South-East Asia is predominately a problem of the Netherlands East Indies. With a population of over 70,000,000, and spread over a vast oceanic area, island India raises problems which are incomparably larger and more complex than those of any other country in South Asia, with the exception of India. A few major factors may be explained here in order to clear the ground for discussion.

The whole of the Netherlands East Indies revolves round

Java, the richest and most densely populated island of the Archipelago. It has a population of 50,000,000 and has been for three hundred years the seat of the Netherlands Empire in the East. The resources of Java are truly fabulous. Its name (Sanskrit for barley) shows that even from the earliest times it was a land of plenty. Early Sanskrit poets speak of spices imported from Java. In terms of modern economy it produces in abundance rubber, sugar, chinchona, petroleum, manganese, and tin. It is the land of spices *par excellence*, and it is for its spice trade that the Portuguese and later the Dutch came to Java.

Java and the picturesque island of Bali which is the only area where Hinduism survives as an indigenous religion, constitute so to say the Home Provinces while Sumatra, Celebes, Borneo, and other islands form the Outer Provinces. Economic development except for oil in Sumatra, has been intensively carried out only in Java.

The islands excepting, Bali, have a common religion—Islam. Indonesia passed from Hinduism and Buddhism to Islam in the fifteenth century, and has remained staunchly loyal to that faith through all the years of colonial government. The success of the Spaniards in converting the pagans of the Philippine Islands where neither Hinduism nor Islam had penetrated to any extent could not be repeated by the Portuguese or the Dutch in respect of a Muslim population. Racially the population is Malay, and in spite of different dialects there is a common linguistic basis for practically the whole population, excluding Papua which geographically belongs to the Australasian group. An important fact relating to Java is that there is a large European population born and bred in the island, numbering about 100,000. There is also a large Eurasian population numbering about 140,000. There are in fact a quarter of a million white and semi-white who regard Java as their home.

It should be remembered that both Java and Sumatra are countries with an ancient civilization and a long and glorious political history. The Srivijaya empire of the Sailendra dynasty who had their capital at Palembang in

Sumatra, held sway for many centuries not only over Sumatra and the islands but over peninsular Malaya as well. The glory of the Sailendra kings continued till the conquest of Sumatra by Islam. Equally Java, under successive dynasties, maintained its pride of place in South-East Asia. The Java navies exacted tribute from and imposed political authority over Cambodia on more than one historic occasion. Under Erlanga, Java became a united and strong Power, a great seat of culture and learning.

Sumatra, Java and Bali, as we know from inscriptions, from Chinese records, and from indigenous literatures, were behind no country in education, political organization or general standard of civilization at the time that the Portuguese came to the East. It was with no backward people that the Dutch had to deal. The unfortunate position that has frankly to be recognized is that for two hundred and fifty years the Dutch looked upon their vast empire mainly as a possession to be exploited. Until the close of the nineteenth century the sole objective of Dutch rule was to enrich the mother country by an intensive exploitation of the soil. The political system of the Dutch was "indirect rule." It was economical, as no elaborate machinery was necessary to keep the system efficient. The colonial government had also less responsibility. The result was that education was neglected, and no programme of public welfare was undertaken. The population which was famed for its culture in the fifteenth century sank into ignorance and apathy as a result of two hundred and fifty years of Dutch rule.

Early in the twentieth century, as the result of a liberal movement in Holland, the Dutch gradually began to modify their strict commercialism by a policy which recognized moral obligations to the peoples of the country. Education was extended, though reluctantly, to the Indonesians. It may be mentioned that the first great educational effort came from Princess Kartina, a distinguished Javanese lady who opened a school for upper class Javanese in the beginning of the century. It was from that time that the people of Java began actively to

interest themselves in educational advancement. It is, however, to be noticed that till the very eve of Japanese conquest the Netherlands East Indies were educationally backward, though in the years immediately preceding the fall of the empire great efforts were being made to remove this blot from the political record of the Dutch in the East.

Until 1938 defence was also neglected. Holland hoped to live and prosper in the East under the protection of the British Navy. Behind the triangle formed by Hong-Kong, Manila, and Singapore she felt herself to be safe. The growth of Indonesian nationalism generated a distrust in the mind of the Dutch and consequently military organization of the indigenous population was never seriously considered. Since the time of Dekker, the remarkable Indo-European who became a popular hero and Java's leading nationalist, the fear was always present in the Dutch mind that the large and prosperous Eurasian community whom they had petted and patronized as the effective local prop of their empire, might throw in their lot with the Indonesians. Bolivarism—the idea of the progressive half-caste taking over the leadership of the native population, a tendency which found consummation in Simon Bolivar the liberator of South America—was a possibility which the British in India foresaw and combated as early as 1932. But in the Dutch East Indies the policy followed was to consider Europeans and Eurasians as belonging to one racial group, and to extend to the Eurasians the same privileges as to the pure-blooded Dutch. A defence system could have been based on the Eurasians, but the emergence of Dekker, popularly known as D.D. and the formation of the "Indian party," the main planks of which were the identification of the Eurasians with Indonesians and an independent Indonesia, rendered the utilization of this community as a loyalist element impossible. The gradual dissociation of Eurasian sentiment from the pure-blooded European in favour of an Indonesian motherland, for which development Dekker was mainly responsible, transformed the resident European community into a colonial minority, with all the attendant fears, alarms, and suspicions to which

thirty-eight elected members twenty are Indonesian and three Chinese and one Arab. It is also laid down that out of the total of sixty-one, thirty should be Indonesians, four Chinese, and one Arab. There is no direct election, the members of the Assembly being chosen through electoral colleges. Even though constituted with such caution, the Volksraad has no real power. It can only interpellate, criticize, and approve the budget.

Java, the metropolitan island, is governed differently from the Outer Provinces. It is divided into three provinces, each of which has a Governor and a Provincial Council. The Provincial Council is partially nominated and partly elected. Its legislative powers are limited to those expressly delegated by the Central Government. The local administration of the provinces is entrusted to Regents. The regency system is the special feature of Dutch administration. Under this system the district, or the Residency as it is called, is administered *through* a high Indonesian officer styled Regent recruited from the local aristocracy. The Regent is the instrument, the mere agency of government, as all power vests in the Dutch Resident or Assistant Resident whose duty it is to advise him. The Regent is the intermediary with the Javanese, the only administrative authority with whom they deal. The pretence of native administration has been kept up to a large extent by this method and for a long time it was successful. To the Regent is attached a Regency Council partly elected and partly appointed. The Council is advisory, not having even the powers of local taxation, proposals for which must be approved by the Governor-General.

The position of the Regent, once very important in Javanese life, has, with the rise of nationalism, become difficult. Naturally, as an official whose power is far less than his pretensions and dignity, and being more or less the instrument of the Dutch Resident, he does not command the respect of the younger generation. Neither does he himself feel happy, once the popular respect which compensated him for his lack of power, has been undermined.

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international finance afforded them the best chance of economic prosperity. The Netherlands Government welcomed American and English capital which found profitable investment in the Indies. The result was in a sense extraordinary. The colonial economy was the best that could be organized. But it had two untoward results. It weakened the native rural economy. While national income increased, the agricultural classes depending on their backward methods of cultivation became less and less prosperous. Secondly, the economy of prosperity, as in the case of other colonies, was dependent on the industries of other countries. The growth of the Indian sugar industry preceded by a prohibitive duty against imported, mainly Javanese, sugar came as a serious blow to Java. The economic depression of 1930 upset the entire balance of a system which had no internal strength.

The crisis of 1930 led to a change of attitude. The necessity for basing the prosperity of Java on a national economy was recognized, and the first steps towards a gradual industrialization were taken during that period. When the war broke out in Europe, Java had not made any great advance in that direction, and it was realized all too late that her defence based on the industries of other countries could not be assured. A hasty effort was made to repair the neglect of the past and to establish the heavy industries necessary both for defence and a national self-sufficiency.

The administrative system of the Indies also bears the imprint of an unhealthy dualism. The whole area is under a Governor-General appointed by the Crown. He is the supreme local authority subject only to the instructions of the home government. He is assisted by a council of five of whom one is an Indonesian appointed from the Assembly. It is not an executive council, as the Governor-General consults it only at his discretion, except in certain specified matters.

There is also a consultative people's Assembly known as the Volksraad. It consists of sixty-one members of whom thirty-eight are elected and twenty-three appointed. Of the

thirty-eight elected members twenty are Indonesian and three Chinese and one Arab. It is also laid down that out of the total of sixty-one, thirty should be Indonesians, four Chinese, and one Arab. There is no direct election, the members of the Assembly being chosen through electoral colleges. Even though constituted with such caution, the Volksraad has no real power. It can only interpellate, criticize, and approve the budget.

Java, the metropolitan island, is governed differently from the Outer Provinces. It is divided into three provinces, each of which has a Governor and a Provincial Council. The Provincial Council is partially nominated and partly elected. Its legislative powers are limited to those expressly delegated by the Central Government. The local administration of the provinces is entrusted to Regents. The regency system is the special feature of Dutch administration. Under this system the district, or the Residency as it is called, is administered *through* a high Indonesian officer styled Regent recruited from the local aristocracy. The Regent is the instrument, the mere agency of government, as all power vests in the Dutch Resident or Assistant Resident whose duty it is to advise him. The Regent is the intermediary with the Javanese, the only administrative authority with whom they deal. The pretence of native administration has been kept up to a large extent by this method and for a long time it was successful. To the Regent is attached a Regency Council partly elected and partly appointed. The Council is advisory, not having even the powers of local taxation, proposals for which must be approved by the Governor-General.

The position of the Regent, once very important in Javanese life, has, with the rise of nationalism, become difficult. Naturally, as an official whose power is far less than his pretensions and dignity, and being more or less the instrument of the Dutch Resident, he does not command the respect of the younger generation. Neither does he himself feel happy, once the popular respect which compensated him for his lack of power, has been undermined,

The result of this development has been that the members of the old aristocracy have not of late been showing the same enthusiasm as before to become Regents. In fact with the growth of an integral nationalism which thinks in terms of the totality of political power, it may be said definitely that the institution of regency has outlived its usefulness.

In the Outer Provinces, the regency system does not exist. There it is a system of direct government. The whole of the vast area consisting of nine-tenths of Indonesia is divided into three provinces, Sumatra, Borneo, and the Great East, each under a Governor. The system of administration was in the process of reorganization when the war broke out.

The dualism of government is reflected in practically all its activities. Economic dualism we have already noticed. In education and administration of law also this is an important factor. There are two water-tight systems of education, a low standard vernacular school for the Indonesians, and a European system for the Dutch and Indo-Europeans. Only a very small number of Indonesians, generally the children of officials, are admitted into Dutch schools, the policy being to restrict as far as possible higher education in European languages.

In judicial administration it is noteworthy that not only are there two sets of laws, but two sets of courts—one for the Javanese and another for the Dutch. The argument advanced is that custom is the most suitable law for Indonesians, and as such special courts administering custom are best suited to the circumstances. But what is important to note is that in criminal cases also the native courts have jurisdiction and administer laws differently to Europeans. So far as the Europeans are concerned, they can only be tried by the Residency courts, *i.e.* by courts presided over by European officers.

Naturally once the seed of nationalism arose, the Netherlands East Indies provided a most suitable ground for its development. It originated in Java, which had been developed more intensively, and where a sense of unity and national feeling had been inherited from past history. The victory of Japan over Russia lit the spark. *The Boedi*

io—a nationalist party working for reform was lished in 1906. This was soon followed by a more essive organization called *Sarikat Islam* which, working the basis of Muslim solidarity, was able in a short time become an important political force in the country. It rted with the moderate ideal of self-government under the gis of the Dutch Crown, but in 1917 definitely advocated idependence. The movement gained a revolutionary mpetus through the developments in China and by the quickening tempo resulting from the last European war.

The fact which altered the whole aspect of Indonesian nationalism was the emergence of Dekker, whose Indian party brought the Eurasians into the orbit of nationalist thought. Since then the development has been rapid. The Dutch Government thought that the time had come for some reforms, and a legislative Assembly partly appointed and the rest indirectly elected was brought into being. This Assembly satisfied no one and the period that followed the war witnessed in Indonesia as elsewhere in Asia a widespread unrest, revolutionary in tendency, and popular in character, which was put down by severely repressive measures. The nationalist outbreaks of 1926-27 were first branded as communism and then dealt with in a manner which caused deep bitterness. Resolute government for which the European minority clamoured in the name of peace and order held the field, increasing bitterness among the Indonesians, and forcing them into irreconcilable policies. At the same time a constructive programme calculated tc improve the condition of the masses was adopted by th nationalist parties which resulted in arousing the consciou ness of the masses. Non-co-operation, *swadeshi*, and oth planks of the Indian National Congress also began to fi favour especially with the more radical groups led Peratoean Sarikrat Islam Indonesia. The growth of Labour Unions at the same time provided a secular economic basis for nationalism, which has greatly he to discourage the Pan-Islamist activities which at one gave an impetus to the national movement in Indone

The conquest of Holland by Germany in May 1940 a

the whole situation. Even before the Nazi armies began to move the Dutch Government had taken decisive steps in relation to the Indies. The Colonial Government was freed from the control of the Cabinet in The Hague and was entrusted by Royal Command with the duty of looking after its own defence. With the capitulation of the Dutch Army and the withdrawal of the Queen to London, it became evident that the Dutch in Indonesia would have to depend on their own resources and on the good will of the local population. The aggressive policy of Japan, who immediately after the changes in Europe declared that she was vitally interested in the future of South-East Asia, and the demands she presented in the form of a commercial agreement, made it clear even to the diehard Europeans of the colony that only by meeting the Indonesian nationalist demands halfway, the defence of the colony could be organized.

Japan, however, did not give time for any such compromise to be effected before the blow fell. The conquest of the Dutch Empire, so laboriously built up, and so carefully cherished, hardly took three months. One by one the islands were conquered and the battle of the Java Seas sealed the fate of the Dutch Empire for the time. Sourabaya, the naval stronghold, fell. In a short but decisive campaign the fertile plains and valleys of Java were conquered by the army of the Mikado.. Indonesia has passed temporarily into the co-prosperity sphere of Japan.

It is in their distress that the Dutch showed themselves to be a truly imperial Power. Having lost control of all their territories except the small possessions in South America, the Royal Government under the leadership of the heroic Queen decided to build the Empire anew. The descendants of William the Silent entertained no feeling of regret or despair. Queen Wilhelmina resolved that out of the ashes of the old Colonial Empire should rise a new conception of equal partnership between the Indies and the motherland, which on a basis of freedom will unite the people of Indonesia with the Dutch in a wider commonwealth. The Queen's proclamation enumerates three important

principles—(1) That after the war Indonesia will be free and independent and will decide her own constitution; (2) that the association between the Indies and Holland will be on a basis of equality; and (3) that in any superior council created, Indonesia will be represented equally with Holland.

An equal association between Indonesia and Holland will be a major development in South-East Asia. The effect of it may not be clearly visible for fifteen or twenty years. But when the policy has fructified and the urge of nationalism has been harnessed for constructive work with the help and guidance of Holland, there will arise in South-East Asia a power which will revive the glories of Sri Vijaya and Erlanga. The immediate effects which have to be taken note of, are as follows:

The open door policy which made the Netherlands East Indies the El Dorado of investors in Amsterdam, London and New York will not find any support in Indonesia. A strictly nationalist programme of industrial development, with the object of creating a more harmonious national economy, will inevitably be followed by a National Government in Batavia. We have the example both of India and the Philippines in this matter. One of the first effects of the partial self-government introduced by the Montagu-Chelmsford Reforms was the official acceptance of a policy of discriminating protection. The new industrial development in India, is directly traceable to that policy. The pressure of public opinion has been to strengthen that tendency, and to enlarge the sphere of protection so as to include all important national industries. Indian shipping has been most vociferous, and political parties have not neglected the cry for national planning in order to make India self-sufficient in her economy. The national Planning Committee of which Mr. Nehru was the guiding spirit has only suspended its activities owing to most of its workers being in jail, but it can safely be assumed that a free India will go forward with a comprehensive scheme of industrialization, in which foreign capital will no doubt play an important part, but not in the form of colonial investments.

In the Philippines the first effect of the partial independence has been to throw the islands outside the tariff wall of the United States. The Quezon[1] Government did not fail to realize that if the Philippines are to enjoy any real freedom, an economic policy which will make the islands less dependent on American markets was essential. A diversification of agriculture, a policy of cautious industrialization, State mining of metals, and other important schemes which the Government immediately took in hand showed clearly that the Filipinos had no intention of remaining economically subordinate while nominally free and independent.

The Netherlands East Indies have much larger potentialities than the Philippines in this respect. Its area is large; its resources are varied and almost illimitable. It has, apart from a highly intelligent and industrious population, a settled Dutch community with a long tradition of industrial and commercial enterprise who could provide the urgently required leadership in a plan of economic reconstruction. Immediately after the war broke out in Europe the necessity for the economic independence of the empire was recognized by Holland, and every effort was made to establish heavy industries in Java. The Union now proposed will most certainly see the consummation of this policy—transformation of the Indies into the industrial centre of an Empire, the European partner of which will increasingly cease to consider its Asiatic possessions as a colony, but regard it as a complement to his own position in Europe.

A second point which needs to be emphasized in regard to Indonesia is the immense strength which that State will gather as a result of this political transformation. A colony with a large population is a liability. The loyalty of the colonial people could only be assured by a strong garrison and a policy of repression. In the result in times of war, dependencies and colonies become a source of weakness as the population is indifferent if not hostile to the foreign government. The experience of Malaya, Burma, and Indonesia has proved this beyond doubt. Similar is the problem in India to-day. The security of its Indian base

is a matte
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hand, Ind
Holland,
fabulous resources of Java will automatically convert it into a major power in South-East Asia. The whole balance of power will shift and instead of a defenceless colony depending on the protection of the British Navy, Indonesia will become capable of assuming responsibilities for its own normal defence, a power to be held in account in the calculations affecting South-East Asia.

From the point of view of European politics, the decision of the Dutch Government to create a United Kingdom, with Indonesia as an equal partner, has an importance which it is necessary to emphasize at this stage. Holland has finally and decisively opted for integration with her Asiatic Empire and has to that extent broken loose of her continental connections. History and geographical position tied her to the continent of Europe, while her own vast interests were in Asia. The choice was indeed difficult. In Europe, with England on one side across the sea and with Germany on the other side of her land boundary, Holland's position is by no means enviable. She cannot afford to alienate Germany who hangs permanently over her like a dark and menacing cloud. Nor can she go against the interests of England under the shadow of whose navy she has held her Empire for over a hundred years. Holland had therefore to make a choice; either to remain wedded to European policies or to integrate with her overseas dominions in such a manner as to shift her basis of strength to Asia where her man power and resources are such as to enable her, if she secures the co-operation of the Indonesians, to assume and play the role of a great Power. The Royal proclamation embodies the final choice. Holland has come to the East and has assumed leadership in South-East Asia, which augurs well for the future.

How does an independent Indonesia, associated integrally with Holland, fit into the scheme outlined in the earlier chapters of this book? It would form the prop and pillar

in the East of the structure we desire to see raised in South-East Asia. India in alliance with Britain at one end and Indonesia in integral partnership with Holland at the other give a security and strength which neither party by itself could provide. A weak and discontented Indonesia cannot be defended or protected by any power based in India. Unless she has her own strength, any help which the Indian defence system could provide would be worse than useless as the Wavell episode in Java clearly demonstrated. It is important for any scheme of international security in this area, that Indonesia with its 70,000,000 people should be strong and capable of fighting for her own freedom.

Another important aspect which also needs emphasis is the effect that the association of a free Indonesia with an international arrangement would have in the eyes of the people of South-East Asia. The superior organization of an international body of interested Powers which this scheme postulates has an essential weakness; that it will be looked upon as a syndicated imperialism, an association of tigers to look after the interests of lambs. The association of China is important, but it should be remembered that in most of these countries there is a strong anti-Chinese feeling arising from the presence of a large Chinese population which competes with the local inhabitants. In Indo-China, Thailand, Burma, Malaya, and Indonesia this problem has assumed serious proportions, with the result that the Chinese are looked upon with suspicion if not disfavour. The association of a free Indonesia with the Superior International Council will be an effective assurance to the local populations that the period of tutelage will be in their own interests.

Thus viewed it will be seen that the declaration of policy which Queen Wilhelmina has made is the first effective step in the creation of a free South-East Asia, where Europe and Asia will co-operate, with a sense of security and goodwill for the creation of a better world.

CHAPTER NINE

Malaya and Singapore

MALAYA is important not only because it has its own special problems, but also because it constitutes the hinterland to Singapore. Besides, except for small areas and the island fortress, the whole colony is under Malay rulers, some of whom are federated to form a union while others remain outside as semi-independent states. The political organization of Malaya as federated and unfederated states, though useful from the point of view of colonial administration, cannot fit in with any scheme either of national freedom or of national defence. The federation of the whole area under a strong central Government based on popular representation appears to be a necessary development.

The difficulties of self-government in Malaya may be briefly indicated. Outside the Straits Settlements, *i.e.* Malacca, Penang, Wellesley, and Singapore, the whole area is nominally under Malayan rulers in treaty relationship with the British Government. Half the area of the protected rulers have been federated into a union, while others, the most important of which is Johore, remain unfederated. The federation is only nominal, for though the States maintain their councils, all authority has passed to the centre at Kuala Lumpur from whence a so-called federal secretariat, advised by a Federal Legislative Council, administers the territories. The Federal Legislature has grown in authority of late, especially since the abolition of the post of Chief Secretary. The unfederated States are governed by their rulers with the assistance of a British adviser. This system divides up the country effectively and unless a single government is established by the federation of all the States, balanced no doubt by an effective system of decentralization, there can be no political progress in Malaya.

The existence of large alien Asiatic populations in this area, reducing the Malay population to a minority, creates a basic difficulty. It is obvious that the Chinese who number 39 per cent of the total population and the Indians who constitute 17 per cent cannot be left out of consideration. In fact, the Malay Peninsula has become a composite community with the three races in unequal partnership. No single racial group forms the majority of the population. To entrust political power to the Malays on the ground that they are the original inhabitants, though they are now only 44 per cent of the population will be a grave injustice to the Chinese and the Indians. To give it to the Chinese and to the Indians on the ground that they constitute the majority is equally inconceivable. Hence the political organization of the Malay Peninsula must be based on the recognition that the three races have to live together and must provide for a fair participation of all the three in political power.

The economy of the whole area is highly artificial. Fifty-two per cent of the total revenues come from Customs—30 from export duty on tin and rubber and 22 from import duty. The Government of the colony is therefore practically dependent on the revenue it derives from external trade. The depression years practically ruined the Malayan Government. Public revenues dropped in a manner that could not be foreseen. As the whole economic structure was built up on rubber and tin, no new taxation was possible.

The position will probably be worse at least for a time after the war. It is too much to expect that the Japanese in retreat will leave the tin mines in a condition to be exploited immediately. On the other hand it is safe to assume that the equipment will be thoroughly destroyed and the mines themselves rendered unworkable. The position of rubber, even if we assume that the plantations are left intact, will be highly uncertain. It is a fair assumption that the United States at least after having developed at great cost a synthetic rubber industry will have only a limited demand for the natural product. Even if natural rubber comes into its own, as it well may with new methods of utilization, it

based no doubt on a Federation of the States, but with a Central Government on democratic lines. Singapore and Penang, as essential areas of defence, would have to be administered by Britain, which in association with India and Indonesia would maintain naval and air bases and establish the necessary conditions of effective security.

Other schemes have been put forward mainly in America, some of which it may be worth while to discuss here. A proposal which has received some influential support in that country envisages a Federation of South-East Asia which will include all the units in this area, except Burma. French Indo-China, independent Thailand, British Malaya, the Netherlands East Indies and American protected Philippines are to enter into a Federal Union. The argument advanced is that this would prevent the Balkanization of the area and create a balance of power in the Pacific which will ensure peace, and that its area and resources will enable a self-sufficient economy to be developed. It is difficult to see how an essentially Christian and Europeanized community like the Filipinos with an economy which is competitive in relation to Java can be united to the Netherlands East Indies by a political arrangement. Whatever the racial, religious, and linguistic affinities between Peninsular and Insulindian Malays, by no stretch of imagination can such affinities be extended either to the Buddhist peoples of the area, the Thais or to the Indo-Chinese. The proposal also postulates the surrender of sovereignty by existing colonial empires in favour of the Federation. The Dutch Government have already answered in advance any suggestion of that nature. Far from wanting to withdraw from the Indies, the Royal Dutch Government have offered free association of an independent Indonesia with Holland that is a sharing of sovereignty between Holland and the Indies. Mr. Churchill has been no less emphatic. He has declared publicly that he has no intention of presiding over the liquidation of the British Empire. It is, indeed, too much to expect that the victorious nations, will at a mere suggestion from others, relinquish their connection with these areas, in the interests of a World Order, however willing they may be to change

systems of government and if local circumstances
ssitate it, withdraw their authority in favour of the
ple directly concerned.

Another suggestion which also has been mooted in America
an international administration of these colonial areas in
ust for the local population till such time as "native
adership" ,can be trained to take over responsibility.
he idea would seem to be that there should be a civil
ervice recruited from among the nations interested in this
area which will administer the social, economic, and political
affairs of this population of over 125,000,000. The civil
service will presumably be responsible to an international
council, a kind of South Asiatic League of Nations.

If closely analysed it will be seen that the proposals are
meant only in respect of Malaya, Sarawak, and Northern
Borneo. Naturally they cannot include the Philippines
whose independence has been guaranteed by the United
States. The commonwealth is administered by the
Filipinos, and there is therefore no question of administering
the islands in trust till competent native leadership is
available. In regard to the Netherlands East Indies Holland
has already declared that sufficient native leadership exists
to enable Indonesia to be freed from colonial tutelage.
Thailand is an independent country whose native leadership
has been able to look after its interests even in the days of
the most aggressive imperialism. So far as Indo-China is
concerned, it is doubtful whether its interests or its future
have worried the theorists to any extent. In short the
proposal for international administration is directed mainly
against the rubber and tin producing area of Malaya.

While no doubt these proposals are advanced in th
interest of the peoples of the colonial areas, it is surprisi
that no suggestion is made that the wishes of the peo
should be ascertained. At least the Philippines a
Thailand have strong and vigorous representative in
tutions fully believing, it is hoped, in the four freedoms
in the right of self-determination. Surely they canno
subjected to an international administration if their po
pects, are likely to oppose such a scheme.

[illegible] Indonesians are concerned, they may [illegible] being surrounded by a [illegible] body of international civil servants. Why then should Malaya alone [illegible] political freedom of that country [illegible] self-government.

However organized, the defence of Malaya cannot be a local problem. She holds the key to the Indian Ocean and is placed strategically [illegible] power. With [illegible] Singapore [illegible] world-strategy. [illegible] India and Indonesia [illegible] Singapore and Penang [illegible] the responsibility of a [illegible] the necessary strength. [illegible] share this responsibility in association with Britain [illegible]

[illegible] Britain's special interest in Malaya, subject to the political freedom of the people [illegible] freedom of Malaya [illegible] in association with Britain [illegible] will leave the administration of the country [illegible] in the hands of the local population [illegible] freedom which Malaya will enjoy [illegible]

CHAPTER TEN

The Role of China and the United States

THE emergence of China as a first class Asiatic Power is one of the predictable results of this war. The six years of her heroic struggle against the might and metal of Japan have shown the world what reserves of moral strength that ancient country possesses. Her material organization no doubt lags far behind her moral power. But the war has given her a status in world affairs which will only grow with time. The discipline, courage, and organization which Republican China has shown entitle her to an honoured seat in the councils of the world.

The interests of China in South-East Asia are many-sided. In the first place there is the strategic position of Burma and Indo-China. Secondly, there is the important problem of population, and thirdly, there is the growing problem of her economic interests.

The present war has shown the danger to which China can be subjected by reason of her open seaboard. The blockade of the Pacific coast had in effect isolated China from the rest of the world, till the Burma Road was constructed and an entry into the Indian Ocean was found through the use of Rangoon as a major port. A hundred years of development from the first opium wars and the Concessions that followed had created a seaboard economy in China where the trade was concentrated on the main river system, and the finance and industry in the coastal towns. The concession areas and treaty ports came to have a close relationship with the economic system of China. The southern areas were left undeveloped as they were too far away from the ports. Land communications with Burma remained undeveloped as sea transport via Singapore proved easier and cheaper. Japan's occupation of the main coastal and riparian areas, and the effective blockade of

the Pacific coast changed the situation. From a country with her face towards the Pacific, China found herself transformed into an inland area, casting a longing eye towards the open Indian Ocean. Her entire strategy came to be based on a safe line of communication with Rangoon. The international importance of the Burma Road was soon recognized and the extraordinary rapidity with which it was built, and the efficiency with which it was operated showed what measure of importance Chinese statesmen attached to this new route of liberation. Japan's policy quickly and sharply reacted to this attempt to open a safe door from the menace of the Japanese navy. One of her main objects in securing concessions in Indo-China was to subject the highway to air bombardment. She took the opportunity of Britain's weakness to wring out of her the humiliating agreement closing the road for three months. When war was declared one of the first objectives which her militarists set out to secure was the conquest of Burma and thus the complete isolation of China from the world.

Clearly it is in Chinese interest to prevent a repetition of this disaster and to keep open at all times an alternative line of communication. The Burma Road has in fact become vital to her. Equally, on the south-eastern side, she must have guarantees that Indo-China will not again be converted into a base for operations against her southern route. Thus, the security of South-East Asia and the freedom of Burma are connected with each other, and China's interest in them can in no sense be described as being imperialistic. A free Burma, associated for her defence with India, will no doubt find it in her interest to have close economic relations with China and to be the highway of an expanding trade. If Rangoon is converted into a free port and the Burma Road is the subject of an international agreement between Burma and China, the requirements of the new Chinese State would be adequately met.

Her problems in regard to Indo-China and in a lesser degree to Thailand are not so easy. The strategic requirements of China in these spheres are that they should not fall under the control of a third Power. If a strong naval

and military Power marches into Indo-China or Thailand, or gains control of aerodromes, China's position could be seriously endangered. Neither Indo-China nor Thailand, as events proved, is in a position to resist, and therefore China has a vital interest in their security. The only solution is to recognize this fact frankly, and as indicated before, make the defence of these areas an international responsibility of the Powers interested in South-East Asia, with the emphasis in this case on China.

The dynamics of the Chinese population problem create another interest of an even more far-reaching character. There are in this whole area 6,500,000 Chinese distributed as below:

Thailand (including Thai born) ..	2,500,000
Malaya	1,750,000
Indonesia	1,500,000
Indo-China	400,000
Burma	200,000
Philippines	120,000
Total	6,470,000

These figures, important in themselves, give no indication [illegible] character of the problem. In Thailand, [illegible] control [illegible] they control the life of the cultivato[illegible] elsewhere, in indebtedness. As middlemen they control the trade in rice. The majority of rubber plantations is in their hands. Tin mining is their field and they also have a large share in the exploitation of forests. In short the Chinese controlled before the war the economic life of Thailand, and as a good portion of them are Thai nationals they no doubt still continue to do so. In Malaya the position is even worse. The Straits Chinese have entrenched themselves economically in a very strong position. They are 60 per cent of the population of the Straits Settlements and 41 per cent in the Federated States. [illegible] has [illegible]tured

large estates, share with the British in the rubber plantations and have largely monopolized trade. British Malaya has in effect become a Chinese colony.

In Burma also the Chinese population, though numerically not very large, controls one-fifth of the total trade. The rice milling and timber trade are mainly in their hands, and they have also made steady encroachments on the retail trade of the country. In Indo-China, they have a firm grip on trade and commerce, and the French colonial authorities for long encouraged Chinese immigration. In the Netherlands East Indies the problem is less serious as the proportion of the Chinese to the local population is not unduly large as they form only 2 per cent. But their vested interests are considerable.

Everywhere in this area, the Chinese community has even by its numbers become an important limb in the body politic. In the commercial and economic structure of these areas the Chinese hold an even more important place. In the result the Chinese interest in South-East Asia has a political and economic aspect which cannot be overlooked, and which will with the growth of China's political power become increasingly important.

What will China's position be in East Asia? We have already indicated that in regard to Indo-China and Thailand she will have, at least in the beginning, a special responsibility for defence. In regard to Burma, her interests are limited to the use of Rangoon as a free port and to maintenance of the Burma Road as an international highway. In respect of the defence of Singapore she will naturally have to share responsibility along with other Powers.

Politically China's interest in the area will be secured by her participation in the International Council. She will be entitled to secure equality of treatment for her nationals, equal opportunities with other foreign Powers in developing the economic life of the area, and the safeguarding of her own defence as well as that of the other countries concerned. China's position on the Council will be of exceptional importance. She will be the one State directly bordering upon this region which has no territorial interests or special

obligations. Her status as the leading Asiatic Power will also help to establish the non-racial character of the Council, which in the circumstances of Asia is particularly important.

American interests in South-East Asia are of a different kind. She has taken upon herself the responsibility for the defence of the Philippines. She has also in a less direct way accepted a moral responsibility for the security of Australia. Besides being directly a Pacific Power, though situated at a great distance, she is in a better position to render immediate and effective help in case of attack, than Britain can ever be, so far as her own naval power is concerned. America's commercial and financial interests also are considerable. Above all, the structure of her industry, no less than that of Britain, is based on the raw materials of South-East Asia.

There is a further point of importance to be borne in mind. America realizes that in the post-war world, it is the 1,000,000,000 people who inhabit India, China, and the Indies that will provide the most stable market for American exports. China has to be reconstructed. The programme of China's rehabilitation after roughly ten years of devastating war, preceded by twenty years of civil commotion and two hundred years of stagnation, is a colossal task which can be undertaken only by the large scale investment of American and British capital. The industrialization of China also opens up vast fields for American enterprise. With peace and stability restored to China, an unprecedented expansion of markets may be justifiably predicted. In fact it is obvious that American financial and trade relations with China will constitute one of the outstanding facts of the post-war era.

South-East Asia is placed on the flank of American communications with China. Any threat to that area will place the whole of Sino-American relations in jeopardy. America's vital interests in South-East Asia therefore require no argument. So far American claims have taken the form of a demand for the freedom of colonial peoples, for the liquidation of the interests of "possessing" powers, for the creation of open markets, and for a political structure

which will be strong enough in itself to undertake the defence of the area. It is recognized that America cannot shirk her responsibilities towards South-East Asia, any more than she can wash her hands of the Carribean. But American opinion insists that to share in a responsibility based on colonial administration is to underwrite the imperialism of Britain, Holland, and France. There is a strong anti-imperialist sentiment in America, which looks upon the rule of one people over another, as a sin against the Natural Order, which indeed it is. The governing fact of American history, let us not forget, is the revolt against Britain's colonialism. During all the years that other nations scrambled for territorial empires, America stood aside with amused contempt, perhaps with a sense of superciliousness; but all the same the fact is that in spite of all temptation she has deliberately refused to assume the role of a colonial Power and amass in this progress towards the position which she now occupies as the greatest Power in the world, a colonial empire such as other nations excepting Russia have gathered round them. America therefore will not participate in any responsibility involving the colonial administration of this area; nor would she be content to withdraw from this area and leave it to the other Powers.

It may be argued that isolationism in America may assert itself as after the last war, leading to a withdrawal from all commitments for the future. Isolationism is undoubtedly a strong force in American politics and may conceivably dominate the political stage after the war. But what does isolationism mean? To an American it means withdrawal from the quarrels and rivalries of Europe, a policy of remaining aloof from the troubles to which the continent of Europe is perennially subject owing to the facts of her history. That opinion may assert itself again, but so far as Asia is concerned there has never been any question of isolation. Democrats as well as Republicans are agreed that intervention on the eastern seaboard of Asia stands on a different footing from intervention in Europe. As evidence of this fact may be cited the long and continued policy of building up the chain of American defences in the

Pacific from the Aleutians to Pearl Harbour, with Midway, Guam and Wake in intermediate positions, and the practical unanimity of opinion in regard to an aggressive policy against Japan, while isolationism was still strong in regard to intervention in Europe, and to a declaration of war against Germany. Any revulsion of American opinion against intervention in Asia need not therefore be anticipated.

American participation in the settlement of the Pacific issues is also essential from other points of view. The Pacific war has so far been primarily an American concern. It is the American Navy that is fighting in the Solomons Sea, American marines and soldiers who were struggling on the beaches and in the jungles of Guadalcanal. Even in India and China, the American Air Force is taking its share in the fight. *In fact, for the reconquest of this whole area from Japan, we have to depend on the American Navy and Air Force.* Having suffered major defeats at Pearl Harbour, [illegible] American opinion, [illegible] the cost, [illegible] territory that has been lost. The victory in the Pacific, when it comes will be hers; and having at great cost of men and material reconquered the area, it is hardly conceivable that she will merely hand them back as a friendly gift to her Allies. *The main lines of her policy have already been made clear.* There must be no colonial domination, no rule of one people over another; peace and security in this area must be on a collective basis; there must be equality of opportunity for all nations in the markets of South-East Asia. American opinion recognizes that in every part of this area, political freedom cannot come immediately; but the essence of their argument is that the political set-up in South-East Asia must be designed to ensure such freedom within the *shortest possible time*. International administration, South-East Asian federation and other proposals are really the vague gropings towards a system which will ensure these ideals.

The proposals which have been adumbrated in the

preceding pages meet in substance the ideals that American opinion has in view. If America participates, as she must, in the international council and also shares in the responsibility for collective defence, her voice will naturally prevail, and there need be no fear that she will slowly be drawn into a participation in the evils of the colonial system. The Council we have proposed will consist of America, Britain, Holland, France, China, Australia, Indonesia, and India with two representatives of the peoples of the colonies. Colonialism cannot flourish under the auspices of such a council. The peoples of the colonies will have the assurance of complete freedom and the Council will have the authority to see that the policy laid down is not scuttled or whittled down in actual administration. The taint of the old-fashioned imperialism "dominion over palm and pine" will have been eradicated.

What about the position of Japan in this arrangement? It is obvious that Japan cannot be excluded from this area. She is bound to be under all circumstances one of the best customers of South Asiatic produce. Having no cotton of her own, she has been at pains during her occupation to extend its cultivation in the Philippines. Her oil supply is also very largely based on South-East Asia. For rubber she is dependent on Malaya and Java. Rice, sugar, Manila hemp, quinine, in fact all the products of this area find a ready purchaser in Japan. The exclusion of Japan from the economy of South-East Asia is neither possible nor desirable.

The most decisive defeat of Japan cannot alter this situation. In any reasonable calculation of the future we have therefore to take into consideration a Japan which remains a great industrial nation, but from whose shoulders the intolerable heavy burden of a military tradition has been removed. Japan's industrial life is likely to gain added impetus from this fact as her plants and factories will devote themselves almost wholly to peace-time production. Japanese trade in Asia will increase rather than decrease in the decade following the peace treaty. Although it may be possible temporarily to exclude Japan from a share

in any international arrangement resulting from the war, any attempt to ostracize her will only lead to further disaster. In due time when Japan has given proof of her peaceful intentions and is known to be prepared to co-operate with others for the prosperity of Greater East Asia, she will naturally take her place in the International Council. Till then, she must have complete freedom like other nations to trade and to engage in industry in these areas, so that her industries which provide so much for the South-East Asia market may be placed on a sound footing. No scheme which permanently excludes Japan from these areas will have the least chance of success, and it is necessary to emphasize that fact and keep it in mind when discussing any problem connected with Eastern Asia.

CHAPTER ELEVEN

Conclusion

EVERY scheme for the settlement of the problems of this war should be subjected to two tests. (1) Will it ensure a reasonably durable peace? (2) Will it bring freedom for the peoples concerned? Unless these two questions are satisfactorily answered no proposals, however suitable in other respects, can gain acceptance. How do the present proposals meet these tests?

So far as the overriding question of defence is concerned, the proposals contemplate collective security based mainly on the co-operation of America and Britain, with local authority and responsibility shared mainly between India on the one hand and Indonesia on the other. The position of America in the Pacific will enable her to come to the assistance of South-East Asia within a sufficiently short period. Her Pacific navy, and her air force primarily based on Hawaian Islands will be able to move in support of local forces. Though the British Navy, by its distance or pre-occupation may not be able directly to participate in a

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of India. Of India's ability to fulfil her responsibilities, if she is free and organized under a stable government there cannot be any doubt. She has the man power whose valour, discipline and endurance have been proved in every war. She has the economic resources to equip and finance a war, and an industrial capacity which when developed will enable her to become the arsenal of the East. If the political conditions are satisfied in India and Indonesia and attention is given to the proper organization of resources, the defence of South-East Asia would indeed become easy.

The problem of security in South-East Asia is therefore essentially connected with the problem of freedom. Unless the post-war arrangements bring freedom to these countries, their defence cannot be assured, even if the strongest foreign navies and armies can be mobilized for the purpose. The population will become actively hostile and help the invader, as in a small measure the Burmese are said to have done when the Japanese invaded the country. The [illegible] nationalism that has grown up in South-East Asia will not compromise on the question of freedom, and will [illegible] governments and organizations which are not built upon national foundations.

Though the intensity of the nationalist movement [illegible] in different parts, from the strong, [illegible] and [illegible] promising movements in Burma and [illegible] to the constitutionalism of Malaya and Indo-China, it is [illegible] the dominating factor of political life [illegible] [illegible] many. It may be true, [illegible] nationalism have shown no [illegible] [illegible] remembered that [illegible] [illegible] colonial powers [illegible] [illegible] gradualism. It may be true, [illegible] [illegible] nationalist movements [illegible] themselves into [illegible] true representatives of the people [illegible] movements [illegible] shown this to be [illegible] [illegible] of nationalism [illegible] [illegible] or the [illegible]

all such criticism, true or exaggerated, leaves the main issue untouched. Nationalism has come to stay and is the most potent factor in the life of the colonial peoples.

This nationalism has three essential characteristics, an assertion of racial equality; a claim for complete political power, and a desire for economic self-dependence. The assertion of racial equality is an essential part of Asiatic nationalism. For over a hundred years the Europeans have based their right to rule the Asiatics on the ground that they represented a superior race. Empires were built up and run on the principle of "white superiority." That was the assumption on which the whole structure was raised. Even in countries like China (and earlier in Japan) this doctrine was asserted and strictly adhered to, through the principle of extra-territoriality of European jurisdiction, through social exclusiveness and through special privileges. In India, Burma, and Malaya the principle of white superiority pervaded the political, economic and social life. Until the end of the last war no substantial breach had been made in the citadel of European racialism. The European enjoyed special privileges in India, Burma, and Malaya in certain differentiations of procedure in criminal law. In India and Burma, though the substance of this privilege has vanished, some of the forms still survive. In Indonesia racialism went a step further. A complete dualism in administration, both judicial and executive, in education, in economic life and in social structure was maintained with great rigidity until after the conclusion of the last war.

This inequality, it should be noticed, had two aspects. It was in the first place between the ruling colonial power and its subject peoples, *i.e.*, for example, the Briton in regard to the Burman. But what was more intolerable was its secondary aspect that the European was for some mysterious reason, which could only be his colour, superior to the Asiatic. Some justification could be assumed for the theory that a ruling race was superior to its subject race, but the idea that the Asiatic as such was an inferior being had nothing whatever to justify it. Both aspects had the most unfortunate results. The first though acquiesced in for a

time by the mass of the subject peoples, less by a recognition of inherent superiority than by the knowledge of effective force, alienated the intellectuals from the beginning and created a feeling of extreme bitterness among the new intelligentsia. At no time could any intelligent Indian, or Burman, accept the idea that he was, in any manner inferior to the Briton as such. The orthodox Hindu believed in his own superiority and considered the Briton as a representative of evil forces, a *mlecha*, whose mere presence polluted him. That feeling was not important. But the English-educated Indian could see the obvious fact that many Englishmen were his inferiors in everything that counted, except in being members of a ruling race. The alienation of the new intelligentsia brought up in the atmosphere of European thought has been the primary cause of the rise of nationalism.

The second aspect of racialism had more baneful results. The idea of the European was responsible for the idea of the Asiatic. In no country of Asia was there ever an Asiatic feeling. A sense of Asiatic solidarity was never a part of the tradition of India, China or Japan. Mr. Amery has even gone to the extent of declaring that " there is no such thing really as an Asiatic."[1] That *was* undoubtedly true, before the European historians and European statesmen created the idea. From the time of Herodotus to that of Herbert Fisher, otherwise intelligent historians have tried to interpret events in terms of an epic conflict between Asia and Europe. The battle of Salamis was the defeat of Asia! It was Europe that was being saved at Thermopylæ. The battle of Lepanto was a victory for Europe. In fact, a school of historians associated with Cambridge have even gone so far as to consider that the disastrous raid of Alexander on the frontier of India was the precursor of the British conquest of India. Surely if this view of events which is so popular with scholars is correct, then the conquest of Constantinople and the battle of Tushima were resounding victories for Asia. In fact it is the imperialist historians of Europe who brought the concept of an Asia into being.

[1] Speech of September 29, 1941

The historian's idea would have remained a harmless if foolish doctrine but for the imperial administrators and predatory merchants of the nineteenth century. It is not the Briton who rules India, but the *European.* The Bulgarian and the Albanian stand with the Briton in the racial category as against the Indian and the other Asiatics. It is the *European* Club, the *European* Association, the *European* Chambers of Commerce that exists in India and elsewhere. The whole ideology was the solidarity of the European race against the inferior people of Asia. In theory the meanest European was a Sahib, while even Tagores and Hu Shihs were only natives.

The result was that the historian's idea became transformed into a living social fact. The Europeans concept of " the Asiatic " came to be accepted by the people of Asia. A common interest of antagonism to the Europeans based on their treatment of Asiatics as such came into being. Japan's successful attempt to shake off this inferiority and later her assertion of full equality based on her military strength became the starting point of the new and aggressive nationalist movement in Asia. A study of Asiatic nationalism proves clearly that Japan's victories over Russia gave the necessary inspiration and impetus to the claim for equality and independence in all Asiatic countries. To-day there is undoubtedly an Asiatic feeling, and whatever sympathy exists for Japan in the East is based on this fact.

It is recognized that in spite of her achievements Japan suffers the disabilities of Asiatics in relation to race problems. The same restrictions that apply to Indians and Chinese apply in effect to her also in the United States, Canada, Australia, and New Zealand. The Bulgarian is admitted to these areas in full citizenship, but not the Asiatic or the Chinese, Japanese or Hindu. In Great Britain many restrictions have been based on pure *European* parentage.

This Asiatic feeling is as much a danger to the world as the European feeling. But without a prior eradication of the European race feeling the Asiatic conception which is at present defensive and exists only in relation to the Europeans cannot be weakened. With every emphasis that Britain

places on the European idea, the Asiatic conception is bound to grow. Japan has fully realized this, and it would be a very great mistake to underrate the potentialities of the slogan, Asia for the Asiatics It is on the bitterness caused by the racial attitude of the European peoples that Japan has built her policy and proclaims her mission of expelling the European from Asia. The so-called humiliations to which Britons were subjected in Tientsin, and the menial labour to which European soldiers have been put in Hong-Kong, Singapore and elsewhere are attempts to exploit this bitterness and to emphasize Japan's object of securing equality of treatment for Asiatics.

The essential character of the assertion of racial equality in the nationalist movements of the East can now be appreciated. Unless the post-war settlements accept the principle and embody it in the political and social structure created, there can be no peace or security in Asia. Does our scheme fulfil this requirement? The independence of Burma, Indonesia and the Philippines and the arrangements proposed for Indo-China satisfy the claim of racial equality. In a free Burma there can be no question of European superiority. In Indonesia, allied with Holland on an equal basis, even the reactionaries of the Vaderlandsche Club would not be able to assert any claims based on race. In the Philippines already the position is different. So far as France is concerned, her record in the matter of racial relations has been unique, and any stigma of inferiority which arose from political subordination will vanish with the relaxation of metropolitan control. In Malaya, however, there will still be the survival of colonialism though in a very limited form; but with the rest of Asia free, the principle of "white superiority" cannot continue to thrive in the rubber plantations of the Malayan States.

The claim for complete political power in these areas is in part a demand for the control of administrative machinery, and in part for the vindication of the democratic principle of power being vested in the people. The exclusion of the intelligentsia from the higher positions has been the characteristic of all colonial administrations. Even in Burma

which enjoyed a large measure of political power, the Burmanization of the administration had not made satisfactory progress. Even in India the steel frame of the British Civil Service still holds many of the key positions. In Indonesia the Dutch and the so-called Indo-Europeans have a practical monopoly of administrative power based on puppet regents and a subordinate Indonesian service. Only in the commonwealth of the Philippines had the administrative authority passed to the local population. In 1913, before the Harrison administration, the key positions in the Services were in the hands of the Americans. At the time of the Japanese conquest there were only one hundred and sixteen Americans in the service in the Philippines and most of them were school teachers.

The exclusion of the educated classes from the higher salaried posts and from offices involving effective power is important not only from the point of view of racial differentiation and economic dependence of the educated classes leading to ever increasing bitterness, but also from the point of view of policy. Where democracy does not exist or exists only in a partial form the services must naturally decide the policy of the government. These policies in many cases conflict with national opinion and tend to support vested interests, naturally of the racial groups controlling the government. The substitution for a European bureaucracy of trained local talent is therefore an essential part of a nationalist programme.

Control through democratic institutions, that is the acceptance of the principle that the source of authority is in the people is the political nature of nationalism. So far, except in Burma and in the Philippines, whatever councils existed before the Japanese conquest were purely advisory. A fundamental change in this matter is a prerequisite of any satisfactory settlement of the problems of South-East Asia. In Indonesia this has been promised. In Indo-China also, the restoration of sovereignty to Annam and Cambodia must be accompanied by the establishment of parliamentary institutions with extensive powers.

Economic self-dependence is another important factor in

the nationalist programme. We have already seen how the colonial system creates a dual economy, leading on the one hand *to a deterioration of native agriculture* and *on the* other to the growth of a super-imposed "estate or plantation economy" dangerously dependent on outside markets. An unavoidable result of this colonial economy has been

began to take up this question only after the revolution of 1932. In Holland the problem came to the notice of the authorities only during the period of depression when the whole economic structure was thrown out of gear. Does the political arrangement proposed here give to the states of South-East Asia the opportunities for developing a more stable national economy? Undoubtedly it does so It creates a sufficiently large area whose economy is already to a large extent complementary. It will in fact be a co-prosperity sphere, where each country will be able to develop its own resources and supplement those of the others. The international council will be in a position to guarantee the *flow of external investments, and enforce restrictions which* will prevent foreign capital from gaining political control. Further, in view of past events, it will be in the interests of major colonial Powers interested in the area to co-operate with the people of their previous colonies in developing the industries, as the old economy has broken down as a result of the conditions produced by the war.

Fairly analysed it will thus be seen that the structure proposed for South-East Asia guarantees the security and the conditions of political freedom which are essential for a satisfactory settlement. It will give to the area the opportunities of enjoying the Four Freedoms in a manner they never could before. It will erect in the East a new citadel of peace, based on racial equality, economic freedom, political independence and a permanent cultural association with the West.

The last is by no means the least important. National

movements in South-East Asia are based on the ideology of the West. It is not merely independence of foreign control that these nations are interested in, but also in the content of their freedom. These movements are democratic in background and draw their inspiration from the political thinkers of Europe. It is to Rousseau, John Stuart Mill and Karl Marx that the leaders turn for their wisdom. Besides, the political organization of Europe forms the model for governments, and the technique of administration which the nationalists desire to see functioning in their countries is European as against colonial. The methods of political work are also determined by Europe; the newspapers, the public associations, the radio and the cinema which have contributed so much in the consolidation of national opinion, have come from the West.

Nor is that all. Young Asia has no desire to revert to its own "golden age." It has but little sympathy, in spite of the hold that Mr. Gandhi has on the imagination of India, with those who say that Asia must go back to its own culture and that we must beware of becoming second-rate Europeans. What is it that modern Europe stands for? It stands as we have already stated for a purposeful organization of society which will work for the improvement of the conditions of the people as a whole; for a system of life based on the reign of law, which is continuously scrutinized, altered and amended to suit changing conditions; for the worth of the individual, and for his proper relationship to the community; the assurance of better material conditions of life, through the utilization of science in the production of wealth. These are not exclusively Western principles, but they have reached the Asiatic peoples through the West.

It is undoubtedly these principles which the nationalists of Asia desire to see realized in their own countries. It is not the question of a second-class European or a first-class Asiatic. Indeed, it has nothing to do with European clothes, hats or manner of life. As the inspiration of this change comes from the West, co-operation between Asiatics and Europeans is necessary if there is to be no relapse to

orientalism. In cultural life, especially, this has to be continuous and unceasing. If the schools go back to non-European studies, if our languages develop on the lines of Sanskrit or classic Chinese or Kavi, if our intellectuals cut themselves away from contacts with Western science and thought, then the relapse to a mediaeval orientalism cannot be avoided. It is only by the closest co-operation between the genuine humanism now developing in the Orient, and the developments in Europe and America that we can hope to create a new civilization in South-East Asia. The co-operation of Britain, France, Holland, and America, no less than of China and India is necessary if we desire to create a new life and bring a new hope to the millions in this vast area.

An important factor in this connection which should not be overlooked is the great influence that communism has begun to exercise on the minds of the youth Karl Marx and Lenin have come to the East and assumed the role of new prophets. Neither anathema, nor inquisition will be able to drive them out. In Indo-China and Indonesia the influence of the Communist Party is most marked In India it has gained influential adherents and its propaganda has penetrated the masses. Its great appeal to the hungry and down-trodden need not be emphasized. Its appeal to the intellectual who finds in it a new message has even greater significance. A communist bias in the national movements of the East further strengthens the forces in national life which think in terms of religious and caste obscurantism, and the divine right in the name of the vested interests to tread on the lowly and the poor. Whether the social reorganization be capitalist or communist, the co-operation with Europe must form one of the main bases of the post-war arrangements in Asia.

A general view of the proposals in this book shows three important characteristics; political and economic freedom for the national units, collective responsibility for defence, and friendly co-operation between Asia and Europe. Without the first, the other two are impossible; without the second there is no guarantee for any freedom and without

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A general view of the proposals in this book shows three important characteristics; political and economic freedom for the national units, collective responsibility for defence, and friendly co-operation between Asia and Europe. Without the first, the other two are impossible; without the second there is no guarantee for any freedom, and without

the third there will be no assurance of continuity. The three are indeed interdependent, and for their effective fulfilment India and China are necessary partners, though situated outside the area of South-East Asia. If these postulates are accepted, and a scheme based on them worked out, there is every hope that South-East Asia, with its 150,000,000 people, will form a bulwark of peace and prosperity for the future.

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